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ABSTRACT

This document provides eight case studies of implementation of the Comprehensive Employment and Training Act (CETA), P.L. 93-203, which decentralized manpower programs by transferring program administration to state and local authorities. The studies reported were implemented in Kansas, New Jersey, Ohio, Michigan, North Carolina, and California. (SL)

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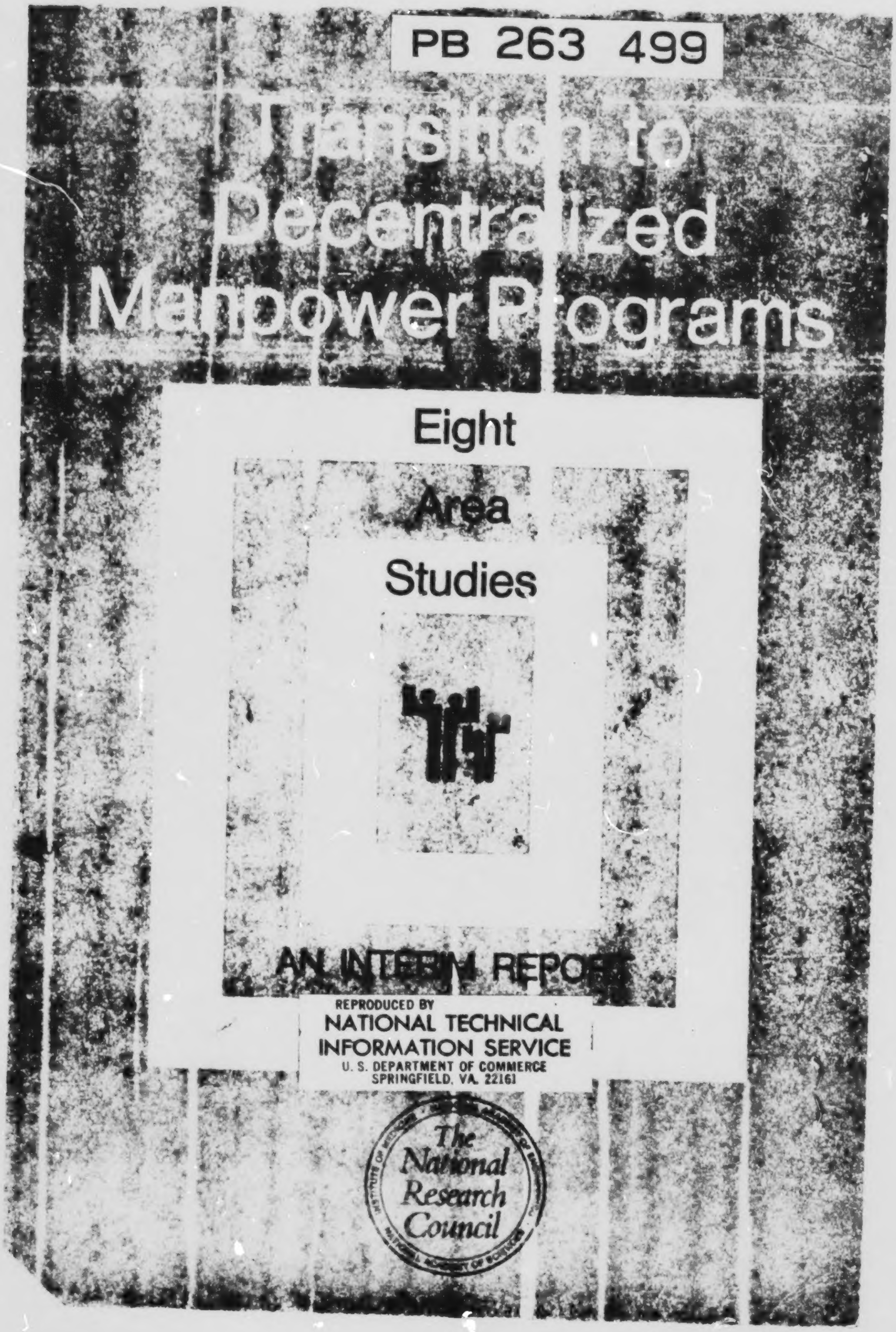

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Eight Area Studies

AN INTERIM REPORT

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The studies in this volume describe the experiences of eight local and state governmental units in implementing the Comprehensive Employment and Training Act (CETA), P.L. 93-203. The book is a companion piece to the recently published staff report entitled "Comprehensive Employment and Training Act: Impact on People, Places, Programs (An Interim Report)" which provides a national overview of the first year of CETA activities. The eight case studies in this second staff report provide a closer and more intimate view of the transition of manpower programs than is possible in a national overview. The eight areas represented in this study are: Topeka, Kansas; Middlesex County, New Jersey; Lorain County, Ohio; Lansing Tri-County Regional Consortium, Michigan; Raleigh Consortium, North Carolina; Kansas City-Wyandotte County County Consortium, Kansas; San Joaquin Consortium, California; North Carolina Balance of State.

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Transition to Decentralized Manpower Programs

Eight Area Studies

AN INTERIM REPORT

WILLIAM MIRENGOFF, Editor

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prepared for the
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Assembly of Behavioral and Social Sciences
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Washington ,D.C. 1976

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NOTICE

The project that is the subject of this report was approved by the Governing Board of the National Research Council, whose members are drawn from the Councils of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. The members of the Committee responsible for the report were chosen for their special competences and with regard for appropriate balance.

This report has been reviewed by a group other than the authors according to procedures approved by a Report Review Committee consisting of members of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine.

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Preface

The studies in this volume describe the experiences of eight local and state governmental units in implementing the Comprehensive Employment and Training Act (CETA), P. L. 93-203. The book is a companion piece to the recently published staff report entitled "Comprehensive Employment and Training Act: Impact on People, Places, Programs (An Interim Report)," which provides a national overview of the first year of CETA activities.

The Comprehensive Employment and Training Act was a significant milestone in manpower legislation and in the development of special block grant funding. The objective of the Act is to rationalize and decentralize manpower programs by providing greater program flexibility and by transferring the administration of programs from federal to state and local authorities. Under CETA, manpower programs are a direct responsibility of local governments for the first time. Prime sponsors are to assess local needs and design the most appropriate employment and training programs to assist people in adjusting to the labor market.

To study the public administration and socioeconomic effects of CETA, the Ford Foundation sponsored the establishment of a Committee on the Evaluation of Employment and Training Programs in the Assembly of Behavioral and Social Sciences of the National Research

Council. The national overview volume and this book of case studies are the first two published results of the Committee's work. Both deal with the early CETA experiences. Additional reports based upon a longer period of CETA operations are planned.

The evaluation project relies most heavily on the information provided by field research associates, drawn from the academic and manpower communities, who are following CETA developments in 28 of the 402 prime sponsor areas. The sample has been designed to represent all types of sponsors and variations in population and degree of unemployment.

The eight case studies in this second staff report provide a closer and more intimate view of the transition of manpower programs than is possible in a national overview. The studies examine the changes that occurred in the planning, administration, and operation of local manpower programs and the effects of decentralization on interorganizational relationships as well as on program clientele. Although the eight areas are not necessarily representative of the 28 prime sponsors in the national sample, they do encompass a cross-section of all the types of prime sponsors: one city, two counties, one balance of state, and four consortia.

The studies provide insights into the dynamics of local situations and highlight differences that are obscured in looking at the national data. For example, both Lansing, Michigan, and San Joaquin, California, may be described as reasonably successful in establishing and maintaining consortia. However, in Lansing the organization is characterized by the dominance of a consortium board with balanced representation from each of several jurisdictions while in San Joaquin the major role is played by the central city, Stockton. The Kansas City-Wyandotte consortium is of interest for several reasons. Its manpower planning council, unlike most councils, which are passive, exercises considerable influence, comparable to a consortium board. In Kansas City, also, community-based organizations were given an especially prominent role in providing manpower services. The fourth consortium, Raleigh, North Carolina, presents a more complex situation. There, an unsuccessful attempt was made to forge a unified system against a backdrop of political, organizational, and racial tensions. The consortium subsequently lost one of its components (Wake County), which became a separate prime sponsor.

Among counties, Middlesex, New Jersey, and Lorain, Ohio, show some of the stresses and strains of inexperienced local government agencies attempting to cope with new responsibilities. One of the more successful city prime sponsors was Topeka, Kansas. There the transition to CETA was accomplished with a minimum of dislocation by continuing, in large measure, prior institutional arrangements. North Carolina balance-of-state is an interesting example of how a sizable state is attempting to shift program responsibilities to sub-state organizations.

The focus in these studies is on Title I of CETA, which authorizes block grants to local and state governments for manpower training, employability development, and other services. References are also made to Title II and Title VI, which provide temporary public service jobs for the unemployed. Title VI was added by the Emergency Jobs and Unemployment Assistance Act of 1974 in response to the recession, and it has had a significant effect on administration of manpower programs in local areas. An explanation of the various Titles of the Act is found in Appendix B. Appendix A lists commonly used manpower program acronyms.

We are pleased to acknowledge the contributions of Dr. Robert Schrank of the Ford Foundation in helping to formulate the outlines and objectives of the larger study project.

We are grateful to the study director, William Mirengoff, who originated the idea for this volume and saw it through to completion with the assistance of Lester Rindler, the project's senior research associate, and Richard C. Piper, research assistant. We are also indebted to Dr. Earl Wright of the Upjohn Institute and to members of the Committee on Evaluation of Employment and Training Programs for their substantive review of the draft. Finally we want to thank Eugenia Grohman and Christine L. McShane of the staff of the Assembly of

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Appendix A List of Manpower Acronyms

Appendix B Summary of Comprehensive Employment and Training Act

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Topeka, Kansas

Charles E. Krider*

This paper examines the impact of the Comprehensive Employment and Training Act (CETA) on manpower programs in Topeka, Kansas for fiscal 1975. During this period the city established a planning and administrative structure, but had not yet substantially changed the mix of programs or the type of clientele served. CETA has had the intended effect of transferring the effective control of manpower programs to the local government in Topeka, and there are indications that decategorization and the establishment of local priorities will follow, though at a slower pace due to institutional and political considerations.

Five aspects of the manpower system in Topeka will be considered: (1) the planning process; (2) the administrative process; (3) the manpower delivery system; (4) the mix of manpower programs; and (5) the clientele served.

THE PLANNING PROCESS

Geographic Coverage. The Topeka prime sponsor area, which includes the city of Topeka and Shawnee County, is the relevant labor market for manpower planning since the surrounding counties are essentially rural and have small populations.[1] The Cooperative Area Manpower Planning System (CAMPS) plans all covered Shawnee County. Under CETA, however, there was a temporary fragmentation of the labor market when Topeka became a prime sponsor and Shawnee County was included in the balance-of-state planning area after an effort to form a consortium failed. A consortium for the city and county has been established for fiscal 1976.

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*School of Business, University of Kansas

During the initial planning for CETA, the city manpower staff and the county had assumed that a consortium would be established and during negotiations over its form no substantive problems emerged; both believed that manpower planning should cover the entire county and that the city, which has 80 percent of the county population, should be the dominant partner. Nevertheless, the consortium was vetoed by Topeka's mayor because he did not fully understand its advantages or, more importantly, how his authority over CETA funds would be affected. The mayor did not have much experience in the manpower area and there was insufficient time to explain how the consortium would have affected the city and his control of the new manpower system.

The consortium that has been created for fiscal 1976 has advantages for both city and county governments. The city manpower staff, which has all planning and administrative responsibilities for the consortium, is able to plan for the entire labor market and will have the county's share of CETA funds to spend. Moreover, the city has full control over all funds in the consortium (including funds allocated for Shawnee County) and is not obligated to spend a fixed proportion in the county. The county benefits by not having to establish a manpower staff to administer CETA funds and by gaining access to city programs and facilities for county residents. In addition, the county and city have a history of successful cooperation in other areas, and the county should have more influence over manpower programs in its jurisdiction than it would have as part of the balance-of-state planning area. The availability of consortia incentive funds was also an important consideration, particularly for the city.

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[1] The Standard Metropolitan Statistical Area (SMSA), formerly Topeka and Shawnee County only, was redefined in 1973 to include Osage and Jefferson Counties.

Structure of the Planning System

A major impact of CETA in Topeka has been the transfer of control of the manpower planning system from the U. S. Department of Labor (DOL) to the city government. Decentralization has occurred. Before CETA, manpower planning was not viewed as a city responsibility, and a nominal effort at planning was made only to comply with the Cooperative Area Manpower Planning System requirements. Manpower programs are now accepted as a major city responsibility and a structure for discharging the responsibility has been established and integrated into the city government. Participants in the planning process are the Topeka Manpower Planning Office, the Manpower Planning Advisory Council, and the Regional Office of the Manpower Administration.

Role of the Topeka Manpower Planning Office. The city's basic strategy in creating a structure for manpower planning has been to establish a new department and to give its professional staff considerable discretion in allocating CETA funds. The Topeka Manpower Planning Office was established as an independent office under the jurisdiction of the mayor, with the CETA administrator reporting only to the mayor. [2] This office is responsible for all manpower planning as well as the administration and evaluation of all programs. It has been the major force in the planning process and has been able to maintain considerable independence from political influence.

The authority and independence of the Topeka Manpower Planning Office is attributable to several factors. First, the mayor appointed a person with professional experience as the CETA administrator and allowed him to choose his own staff without political constraints. Therefore, the staff has credibility with elected officials and program operators. Second, the mayor has not become directly involved in the planning process except to set some general guidelines, such as that youth should be given high priority. During the first year of CETA the city has clearly established the capacity to assume responsibility for manpower programs.

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[2] Under Topeka's city commission form of government, each commissioner is the administrative head of certain departments. All elections in Topeka are nonpartisan.

Role of the Manpower Planning Advisory Council. The Manpower Planning Advisory Council has effectively participated in the planning process. Its 21 members represent all public and private agencies interested in manpower, including all six program operators who have subcontracts under CETA. There were no controversies over the composition of the council because the previous Cooperative Area Manpower Planning System council, which was broadly representative, was carried over under CETA. All community groups asking for membership on the council were given representation. The city did not try to limit or control the council's membership because its views are only advisory and because of a desire to involve all interested agencies. Because of the early formation of the Manpower Planning Advisory Council, its role in planning for the fiscal 1975 Title I program was significant.

The Manpower Planning Advisory Council has several functions. First, it participates in the development of the annual manpower plan by making recommendations concerning the allocation of funds among programs, services to be offered, the designation of specific program operators, and clientele priorities. The Topeka Manpower Planning Office staff consults with the council before drafting a plan and also submits its proposals to the council for final approval. At all meetings of the council individual members speak freely, amendments are offered, and formal votes are taken. Although the council is able to influence the plan, the Manpower Planning Office has ultimate decision-making authority.

Second, the Manpower Planning Advisory Council has established a committee of persons who are not themselves program operators to evaluate annually the effectiveness of each manpower program funded through CETA. Such evaluations are used in allocating funds in the following year. For fiscal 1975 planning, the evaluations were limited to a hearing at which each prospective program operator was questioned concerning past performance. As part of the planning for fiscal 1976 the evaluation committee, with the assistance of staff from the Topeka Manpower Planning Office, conducted a comprehensive, on-site review of each program's efficiency and effectiveness.

Third, the Manpower Planning Advisory Council serves as a check on the city government by providing an institutionalized means for community input from groups not directly subordinate to the mayor. Thus, community-based organizations (CBOs) that participate on the council have full access to information concerning the use of CETA funds as well as a means of providing input before decisions are made. Equally important, the council is able to monitor the use of CETA funds for patronage purposes, particularly under Titles II and VI. The council is able to protect the mayor from potential political influences by serving as a screening board for all requests concerning CETA funds. The council has rejected requests that the mayor would find difficult to deny. Overall, the Topeka Manpower Planning Advisory Council has effectively participated in the planning process and has been able to influence the direction and content of manpower programs.

Role of the Regional Office of the Manpower Administration. The role of the Regional Office in the planning process has changed under CETA, but it still retains some ability to influence the city. Its representative participates in meetings of the Manpower Planning Advisory Council and also meets regularly with the staff of the Topeka Manpower Planning Office. During the first year of CETA, the influence of the Regional Office has been directed towards decategorizing existing manpower programs and developing a more comprehensive delivery system. The Regional Office has made suggestions for the consolidation of programs and the elimination of duplications remaining from the categorical programs. During the first approval process in fiscal 1975, the Regional Office strongly suggested that the initial plan be modified to provide for the consolidation of all youth programs; this was done. The Regional Office's ability to influence the city government is due primarily to the technical expertise of its representatives and to its ability to approve or reject proposed manpower plans. The Regional Office has been able to establish good relations with the Topeka Manpower Planning Office and the Manpower Planning Advisory Council to the extent that Regional Office involvement in the planning process is not resented.

The state of Kansas has had no role in Topeka's manpower planning during the first planning cycle. The Kansas State Manpower Services Council (SMSC), which was to have coordinated the efforts of prime sponsors in the state, has been totally ineffective. Further, no state agency made any effort to influence Topeka's manpower plan for fiscal 1975.

Planning Under CETA

Before CETA there was a very rudimentary planning process in Topeka. No effort was made to obtain data systematically on program effectiveness; only data provided by the operators were considered and there were no evaluations of programs. The actual plan was prepared by a one-person staff to the Cooperative Area Manpower Planning System with the major input coming from such program operators as the employment service and the vocational education agency.

Under CETA, the planning process began with an invitation from the Manpower Planning Advisory Council to all program operators to submit proposals and budgets for funding. A monitoring and evaluation subcommittee then reviewed each proposal and held hearings at which all operators presented their cases and answered questions. The Topeka Manpower Planning Office was then asked to draft an overall plan and to make recommendations regarding duplications among programs. The plan was prepared by the staff and approved by the advisory council, which did have input based on the hearings before the plan was presented for approval. Because of a lack of data on the labor market and inadequate information on program effectiveness, much of the plan was based on the general reputations of operators and the opinions of those involved in the planning groups.

For fiscal 1976 the planning process was essentially unchanged. The process began with an evaluation of existing programs. The Topeka Manpower Planning Office staff conducted an on-site, week-long evaluation of each operator and prepared a written report for consideration by the monitoring and evaluation subcommittee of the Manpower Planning Advisory Council. The advisory council scheduled a meeting with each program operator to review performance and to determine if additional funding was warranted. At the same time, the Manpower Planning Office staff was in the process of preparing its own recommendation for a desirable plan for the next fiscal year. Thus, the planning process was based on a performance or evaluation review of existing programs and input from the Manpower Planning Office staff. The Regional Office representative was in contact with the staff and continued to press for a more comprehensive plan.

Possibly the major change in the planning process for fiscal 1976 was that program operators were made accountable to the city government and were required to justify the continuation of funding on the basis of program performance. They were subject to closer review and evaluation than was ever attempted by DOL. A second major change in the planning process was the redistribution of power or the ability to influence decisions. Traditional manpower agencies, such as the employment service and the vocational education agency, have had their respective roles diminished as the influence of community-based organizations has increased. The CBOs have learned to influence local officials and have been able to retain their funding. The third major change is the active involvement of local elected officials in the manpower planning process and their acceptance of manpower programs as a major responsibility of city government. One clear effect of CETA has been to increase substantially the influence of local elected officials over the use of manpower funds.

THE ADMINISTRATIVE PROCESS

A basic rationale for CETA was the decentralization of authority from the federal government to local prime sponsors. In Topeka, decentralization has been accomplished during the first year of CETA since the city has been able to establish effective control over manpower programs within its jurisdiction. Even though several agencies still participate in manpower programs, there is no doubt that the city is the dominant force in the manpower system. Whether the city will be successful in achieving improved results from manpower programs has not yet been determined, but a new structure has been established that provides the potential for substantially improving manpower services. One governmental unit, the city of Topeka, now has unified control over all manpower programs and can possibly develop a coordinated approach to manpower problems. Administrative control is exercised through the Topeka Manpower Planning Office; elected officials are not directly involved in the day-to-day administrative process.

The Topeka Manpower Planning Office. The administration of manpower programs is being transferred from individual operators to the city government in two basic ways. First, the former Neighborhood Youth Corps (NYC) programs have been transferred entirely to the Manpower Planning Office; they are administered directly by the city. Second, programs that are usually operated by independent subcontractors are increasingly being controlled by the Manpower Planning Office. The staff maintains close contact with the program operators and is familiar with the details of each program. The office makes numerous suggestions on the admittance of clients, the types of services to be provided, and the overall administration of the programs. Programs appear to be moving from virtually total independence under the categorical system to formal merger with the Topeka Manpower

Planning Office. The program operators are now only nominally independent since they are unable to resist the suggestions or requests of the manpower planning office.

Specific areas in which the Topeka Manpower Planning Office has administrative responsibility include contract negotiation, budgeting, monitoring contracts for compliance, and performance evaluation. Without question, program operators are under much closer administrative control than they were before CETA and are being held accountable for their day-to-day operations in a way not attempted under categorical programs. For example, tight fiscal control has been established so that the city has direct supervision over the expenditure of all CETA funds. Rather than transfer funds to each operator's bank account, the city requires the use of vouchers; each voucher must be approved by the manpower planning office staff and the city finance office before any funds are released. Consequently, no operator can spend money without the approval of the CETA administrator. Similarly, the employees of all program operators are hired by the city and receive paychecks through regular city channels, thus giving the CETA administrator full control over payrolls. There have been no major difficulties in extending the city's established fiscal procedures to CETA programs, except that operators have indicated some dissatisfaction with the loss of flexibility associated with the voucher system.

A further aspect of the city's administrative control of operators is the establishment of extensive reporting procedures on the clients served and the types of services provided. The city knows who is being served and what types of services are being provided on a regular basis and can suggest changes or modification throughout the contract year. Nevertheless, one problem during fiscal 1975 was that of ensuring that community-based organizations, such as Opportunities Industrialization Center (OIC) and Services, Employment, Redevelopment (SER), provided services on an equal basis to all racial and ethnic groups. To give the manpower planning office greater control over the selection of clients, a centralized intake office was implemented in fiscal 1976. A separate contract was negotiated with the employment service to operate the intake center; its chief responsibility is to refer clients to all programs operated under CETA. One purpose of the intake center is to prevent OIC from serving primarily black clients and SER from serving primarily Mexican-American clients. Under the centralized intake approach the city has more influence in determining which clients receive services.

State and Federal Agencies. Neither state nor federal agencies are involved in the administration of manpower programs. Before CETA, DOL negotiated national contracts with SER and OIC, and the Regional Office of the Manpower Administration negotiated other contracts covering Topeka programs. The enforcement of contracts and the evaluation of performance were also federal responsibilities. Under CETA, the Regional Office is no longer involved in any phase of direct administration, except to offer technical assistance to the Manpower Planning Office.

The State Manpower Services Council has made no effort to affect programs in Topeka and has not even been available for services when the city sought assistance. In addition, several traditional state manpower agencies, such as the employment service and the vocational education agencies, have had their roles reduced under CETA. For example, before CETA the state vocational education agency was greatly involved in the operation of the Topeka skill center. It reviewed training programs, granted funds, and provided advice to the local school district. Since funding no longer comes through the state agency, these responsibilities have been transferred to the Topeka Manpower Planning Office. Similarly, the employment service, which participated in the operation of the skill center under the Manpower Development and Training Act (MDTA), has lost its role in planning for the skill center and the supervision of its operations. The role of the employment service at the state level has been entirely eliminated under CETA, and it has no involvement at all with the administration of the Topeka skill center.

The basic conclusion is that under CETA the city of Topeka has had almost complete independence from state agencies in planning and administering manpower programs. Its strategy has been to centralize administrative control of manpower programs within the manpower office.

THE MANPOWER DELIVERY SYSTEM

During the first year of CETA there was no substantial effort made to decategorize manpower programs. For the most part categorical programs were continued through contracts with existing operators. However, the extension of categorical programs is clearly viewed as an interim strategy and does not represent a long-term commitment.

Organization of Manpower Programs. The city of Topeka had the standard range of pre-CETA manpower programs, including: (1) a skill center operated by the area vocational-technical school and the Kansas employment service; (2) the Topeka OIC; (3) an MDTA Jobs Optional Program (JOP), operated by the Kansas employment service; (4) a Public Service Careers program operated by the Kansas Neurological Institute; (5) a Neighborhood Youth Corps in-school program operated by the Topeka school district; (6) an NYC out-of-school program operated by the Shawnee County Community Assistance Action Agency; (7) an Operation Mainstream program operated by the Topeka school district; and (8) the Topeka SER.

All of these programs have been continued under CETA with the same program sponsors except for Neighborhood Youth Corps in-school, NYC out-of-school, and Operation Mainstream, which are now operated directly by the Topeka Manpower Planning Office. The Topeka school board and the community-action agency (CAA), which operated the NYC categorical programs, were not given contracts under CETA. The main reasons for the change were a desire to have a single youth program and the political weakness of the school board and the CAA. Neither could marshall an effective constituency to persuade the city to continue categorical grants. The only other major change was that the Kansas Employment Security Division is no longer involved with the skill center; SER is responsible for referrals and placements to the skill center. The employment service was given a contract only for writing on-the-job training (OJT) contracts, as it had done under the MDTA Jobs Optional Program. OIC, the skill center, and Public Service Careers continued unchanged. No new operators were given contracts.

There were several reasons for the decision to continue funding categorical programs. First, the city wanted to continue programs that had generally been successful, and it wanted to develop a relationship with program operators who had experience and expertise in the manpower area. This consideration was particularly important with regard to the skill center operated by the local vocational education agency and Public Service Careers operated by a local hospital. Second, the city did not have sufficient justification for discontinuing some programs entirely or for substantially changing funding arrangements. No comprehensive evaluations of manpower programs in Topeka had been conducted and there was insufficient time for such evaluations during the first planning cycle. Moreover, the Topeka Manpower Planning Office felt that each program should be given an opportunity to demonstrate its effectiveness through a six-month contract under CETA, with the understanding that subsequent funding would be contingent upon performance. Third, substantial changes in funding were felt to be politically difficult, or at least unwise, particularly for SER and OIC. OIC has ties to the black community and SER is a part of the large Mexican-American community in Topeka; the city felt that substantial changes in the funding for such groups could not be made without hard evidence that their programs were inefficient or unproductive. The effectiveness of these programs could best be demonstrated by giving existing programs a short-term contract to continue their manpower activities while closely monitoring and evaluating their performances Thus, although there are political barriers to decategorization in Topeka, the expectation is that such problems can be overcome or reduced once funding decisions can be based upon program evaluations.

Coordination of Manpower Services. Prior to CETA, there was no coordination among local programs. Each performed its own outreach, assessment, referral, and where necessary, placement services. This duplication of effort continued during the first year of CETA, except for the combination of the two Neighborhood Youth Corps programs. Some functional specialization did occur; SER was given a contract for the assessment and intake of clients for the Topeka skill center and for providing placement after training. Other programs, however, continued to duplicate these services.

The city expects to develop a more comprehensive approach to manpower programs in the near future. As a first step, a centralized intake center is expected to end duplication in staff and facilities and should give the city greater control over the types of clients enrolled in city manpower programs. All programs will select their clients through the central intake office. As this change indicates, the carry-over of categorical operators does not constitute a city commitment to maintain the system, but rather is viewed as a short-term strategy until a more comprehensive approach can be designed and the most efficient and effective operators identified.

Impact on Local Employment Service. During the first year of CETA the employment service (ES) had a diminished role in providing manpower services. Their major program loss was intake and placement for the skill centers, since these responsibilities were transferred to SER. Under CETA, the ES was limited to writing on-the-job training contracts. The reduction in the ES role does not seem to be the result of a careful evaluation of its effectiveness, but was due rather to a widespread belief that it had not effectively served the disadvantaged community in Topeka. Community-based organizations on the Manpower Planning Advisory Council stressed the traditional emphasis of the ES on placing job-ready persons rather than assisting those most in need. Furthermore, it did not have sufficient political influence within the city to maintain its former position in the manpower system.

The initial observation that CETA has led to a diminished manpower role for the employment service may not be sustainable in the long run. After only one year, the Topeka Manpower Planning Office has already decided to expand the ES role by giving it responsibility for operating the centralized intake center. A contract to that effect was signed and implemented during fiscal 1976. The choice of the ES indicates that it has substantial advantages in competing for CETA funds. First, it is an established manpower agency with an existing staff and considerable expertise, particularly for the intake and placement functions. Moreover, it is not identified with any one segment of the community, as are such community-based organizations as OIC and SER, and thus may be more effective in competing for CETA funds as a comprehensive manpower system is developed. Accordingly, it may be more effective in serving the entire community. Finally, it may be acceptable because of its political independence from the city, which would enable the agency to provide some protection against political influence in manpower programs, particularly in public service employment.

Impact on Community-Based Organizations. The community-based organizations such as SER and OIC have survived the first year of CETA, but their position is tenuous and long-term survival is doubtful if all funding must come through the local prime sponsor. Both continue to operate categorical programs much as they did before CETA, but the impact of CETA on CBOs is greater than when only budget allocations are considered.

Two changes have occurred. First, the community-based organizations are no longer able to plan an independent role in Topeka's manpower system. Whereas DOL gave OIC and SER almost complete discretion in spending their funds, the city is maintaining much closer supervision. Literally all of their decisions concerning client selection, type of services to provide, and type of placements are subject to close scrutiny by the Topeka Manpower Planning Office. The CBOs do not even have full discretion in hiring staff or in setting staff salaries. A loss of independence is one of the major consequences of CETA for the CBOs; rather than remaining as community-based organizations serving one part of the community, they are becoming adjuncts of the manpower office.

Second, the basic rationale for community-based organizations is being challenged. Their primary purpose has been to serve specific minority groups not being adequately served by establishment manpower agencies. In Topeka, OIC served blacks and SER served Mexican-Americans. This is no longer possible since the Topeka Manpower Planning Office insists that each CBO serve the entire community. Once this occurs, the desire to end duplication strongly suggests that a single manpower program be established--the one-roof approach--that would probably be operated by the city directly. The Topeka experience suggests that CBOs will survive on the basis of their political, not manpower, expertise.

Impact on the Vocational Education Agency. There has been no organizational change in the participation of the local vocational education agency in the operation of manpower programs under CETA. It continues to be the primary deliverer of skill training through the Topeka skill center. Nonetheless, CETA has caused substantial functional changes and, on balance, the vocational educational agency would prefer to operate the skill center as a categorical program rather than through CETA.

The vocational education agency has lost much of its autonomy to determine which training programs to offer or even how training should be conducted. The CETA administrator must approve all specific training programs, the length of programs, the type and qualifications of clients, and the types of jobs for which training is conducted. The primary concern is that decisions previously left to professional educators are now being made or greatly influenced by non-educators on the city manpower staff. The professional judgments of vocational education agency personnel are now subject to review and modification by the manpower planning office. Further, the office oversees the day-to-day operations of the skill center and must approve all purchases of supplies and equipment. The skill center has been required to bring its accounting and purchasing procedures in line with those of the city. The vocational education agency is now accountable to the manpower planning office and held on much tighter reins than during the pre-CETA period.

The Mix of Manpower Programs

There does not appear to be any substantial change in the mix of manpower programs. For fiscal 1975, the largest portion of Title I funds (34 percent) was spent on classroom training, including the skill center. Work-experience programs received 31 percent of Title I funds; 19 percent went for services to clients; on-the-job training received 10 percent, with the balance going to other activities. As best as can be determined, these percentages are about the same as they were before CETA. Certainly there was no intent to change the program mix. OJT was not reduced as unemployment increased, and Title I funds were not used for public service employment.

THE CLIENTELE SERVED

CETA does not seem to have changed the client groups served in Topeka manpower programs. Prior to CETA, the manpower programs in Topeka were serving the economically and educationally disadvantaged, particularly minorities, and this has continued during the first year of CETA. The personal commitment of the Topeka Manpower Planning Office and the continued funding of categorical programs, all of which retained their pre-CETA staffs, has led to stability in the selection of clients.

However, two changes affecting minority clients did occur. First, the skill center enrolled a larger proportion of Spanish-speaking individuals primarily because intake responsibilities for the skill center were transferred from the employment service to SER. Second, OIC and SER were required to increase their enrollment of non-minority clients to conform with the manpower planning office's policy that all manpower programs be available to the disadvantaged without regard to race. The net effect of these changes left minority representation in manpower programs at approximately the same level as before CETA. There has been no increase priority for minorities since they were well served under categorical programs in Topeka.

A total of 613 persons were planned to be served under Title I from August 15, 1974 to June 30, 1975. The city's priority identification of significant segment groups is as follows: 150 economically disadvantaged youth (age 14-18), 111 veterans, 178 educationally disadvantaged, 339 minorities, 48 older workers (age 46-65), 135 female heads of household, 6 handicapped persons, and 14 elderly persons with low incomes. It should be noted that clients may be classified in more than one of these priority groups.

SUMMARY AND CONCLUSIONS

The major conclusions of this interim report are:

- The decentralization of manpower programs has occurred, with the control of public manpower programs having been successfully transferred from federal agencies to the city of Topeka. Most importantly, city officials view manpower responsibilities with a new seriousness now that they have control over resources.
- The city has established an effective structure for planning, administering, and evaluating manpower programs. Ultimate decision-making authority belongs to the mayor but he has effectively delegated most authority to professional staff in the new Topeka Manpower Planning Office. This office has authority over all aspects of Topeka's manpower system and has gained administrative control over all CETA programs.
- The Manpower Planning Advisory Council has provided a viable means for community involvement in manpower planning. It does more than approve the comprehensive manpower plan; recommendations

are made on program mix, client priorities, and program operators. The advisory council is also involved in the evaluation of programs and is considerably more effective than similar councils before CETA.

- The Regional Office of the Manpower Administration has accepted CETA in good faith by supporting decentralization and decategorization. The Regional Office's role has been limited to providing technical assistance and advice; there is no evidence of any effort to undermine CETA.
- The Kansas State Manpower Services Council has not proved effective during the first year and has not provided assistance to local prime sponsors.
- CETA has had a differential impact on existing program operators. The community-action agency lost its contract but OIC and SER retained theirs. The employment service suffered a major reduction in its manpower role, mainly due to its poor relations with community-based organizations on the Manpower Planning Advisory Council. In the long run, however, the ES seems to be in a strong competitive position relative to the CBOs. Competition among program operators has increased.
- Manpower programs were not decategorized during the first year. Some coordination and specialization of functions did occur but institutional and political constraints, as well as limited planning time, prevented any major changes.
- There were no substantive changes in the mix of programs or the type of clientele served.

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Middlesex County, New Jersey

Jack Chernick*

THE MANPOWER PLANNING SYSTEM

Planning Councils: Composition, Functions, and Authority. A suburban county with a 1974 population estimated at slightly over 600,000, Middlesex falls into that category of prime sponsors for which decentralization under the Comprehensive Employment and Training Act (CETA) resulted in the assumption of new authority and a new function. Prior to CETA, Middlesex County government operated no manpower programs other than the Public Employment Program (PEP). The advent of CETA, beginning with an operational planning grant in late 1973, gave county officials the responsibility of learning the elements of manpower program operations and erecting machinery for complying with the first obligation imposed by their new role: to prepare a comprehensive manpower plan for fiscal 1975. By January 1974 the person who was to become the director of the county's manpower agency was on board, and several months later the CETA Manpower Advisory Council was named and held its first meeting.

While county officials were not directly involved in manpower program administration before CETA, federally funded manpower programs were operated in the county by various agencies, and a coordinating body functioned as part of the Cooperative Area Manpower Planning System (CAMPS).

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Before CETA, Middlesex County was joined to contiguous Somerset County to form an ancillary manpower planning board (AMPB), created by and serving under the aegis of the State Manpower Planning Council (SMPC). The two counties constituted the Perth Amboy/New Brunswick Labor Market Area. The union was dominated by Middlesex County, the larger of the two with respect to population and labor force, and with a more pressing array of manpower problems. Under CETA, Somerset County qualified as a prime sponsor on its own and in March 1974, Somerset County was designated as part of the Newark Labor Market Area. Middlesex County officials assert that the separation is not likely to have any impact on planning or operating programs in Middlesex. At a very early stage in preparation for CETA administration, some slight consideration was given to the potential usefulness of a consortium, but that was never carried to the point of discussion between officials of the two counties.

The CETA Manpower Advisory Council is composed of 33 members, representing the community interest groups listed in the CETA[1] legislation. Apart from a relative increase in business representatives, the CETA council is similar in composition to its predecessor, the ancillary manpower planning board. The two councils, however, are strikingly different in the extent of participation by elected officials. The Freeholder Director and chief county elected official was nominally a member of the AMPB but never attended meetings. Since CETA, his interest in manpower as a county function has conditioned the composition and functioning of the council. He selected as chairman a close personal friend who was active in community affairs. Prominent businessmen in the New Brunswick area were appointed to the council. The Board of Freeholders is composed of five Democrats and two Republicans. One of the Republicans, long interested in manpower matters, also sits as a member of the council and is the prime sponsor's representative on the State Manpower Services Council. The active participation of the two officials in the meetings of the Manpower Advisory Council helps to ensure that recommendations of the council to the Board of Freeholders will encounter no resistance.

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[1] The Act requires that, to the extent possible, the planning council shall consist of members who are representative of the client community, community-based organizations the employment service, education and training agencies, business, labor, and where appropriate, agriculture.

The Manpower Advisory Council, immediately after its establishment in March 1974, created two subcommittees which were Title I and Title II task forces. The chairman of the first is a business executive, and a labor union official is the chairman of the second. The task forces meet at least once each month and report at the monthly meetings. Affirmative action and personnel committees were also established, and an executive committee was appointed by the chairman. The evidence indicates that many members are devoting a substantial amount of time to the work of the council.

The participation of key Manpower Advisory Council members is based on the understanding that the council is not a rubber stamp and that their time spent will serve a useful purpose. They are concerned that fiscal control be very rigorously organized and are anxious to participate in all decisions relating to the allocation of funds, the selection of programs and delivery agents.

All proposals for manpower programs under Title I are examined, in principle, by the Title I task force. However, by the end of 1974 the council members interviewed thought they were still some distance from a system of advisory operations to match their wishes. The staff was pressured to document fully all of the elements of proposals brought to the council and to develop competence in program evaluation. The council members rely on staff for technical information, and at the time of the interviews, felt that they still had a long way to go. However, allowances were made for the fact that many of the staff had only recently been appointed. Several changes in funding level and the more recent addition of Title VI responsibilities have impeded progress in organizing the work of the council along the lines desired by the members.

The major function of the ancillary manpower planning board had been to allocate the county's manpower block grant among existing programs. In principle the existing programs were to be recommended for funding only on the basis of prior performance, but attempts at program assessment were beset by insurmountable difficulties. As for planning and coordinating functions, the AMPB, staffed by one professional with an assistant and responsible to a state council also possessing limited authority, could not exercise any substantial influence on manpower programs in the county.

The CETA council has the primary function of allocating annual county manpower funds, but its potential impact is much greater. With a council operating close to county government and a substantial staff of professionals constituting a county department, it may in time serve the function of visualizing and coordinating county manpower training and labor supply to meet county needs for balanced growth.

The former chairman of the ancillary manpower planning board described the authority of the CETA council as "immense" partly because ultimate decisions are made by the Board of Freeholders and two members of the council are Freeholders. Formally, the role of the council is to recommend action to the Board of Freeholders. Within the limits of the CETA budget, such recommendations are tantamount to decisions because they have already been screened unofficially through the participation in council meetings by two important freeholders.

Development of Comprehensive Manpower Planning Documents

Fiscal 1974 Plan. In the year preceding CETA, the ancillary manpower planning board had the responsibility to prepare a comprehensive plan for Middlesex-Somerset. Guidelines were transmitted to the AMPB by the state council representative and the required universe of need data were provided by the Division of Research and Planning of the state Department of Labor and Industry.

The situation confronting the ancillary manpower planning board as it began preparing its fiscal 1974 plan was as follows: (1) with respect to programs blanketed into manpower revenue sharing, the funds allocated were 233 percent greater than those available for fiscal 1973; (2) the universe of need data showed a much larger demand for manpower services than could be met by even sharply increased funds; (3) there was an existing set of service delivery agencies that had operated programs under either the Economic Opportunity Act (EOA) or the Manpower Development and Training Act (MDTA), speaking for a client mix that had become traditional; (4) a very weak foundation existed on which to make program evaluation judgments; and (5) there was the pressure of a deadline for transmitting the plan.

Adopting what was described in the plan as "the overriding priority of continuity," the ancillary manpower planning board responded by recommending increases in the slots allocated to each of the existing programs and continued the existing delivery agencies.

Fiscal 1975 Plan. Essentially similar conditions faced the county when, as the designated prime sponsor, it started the Title I planning process for fiscal 1975. A newly appointed director, with two assistants, examined the same data that had been available to the staff of the ancillary manpower planning board. He attempted to secure information that would permit at least a superficial assessment of performance under ongoing programs. In the end, the decision was made to fund existing programs at 90 percent of their fiscal 1974 funding level.

Indicating the unrealistic deadlines for the preparation of the Title I plan, the director insisted that it was impossible to do justice to planning in so short a time. He emphasized the lack of what he considered essential data for meaningful planning and envisioned the organization of a data collection system permitting a more significant analysis of the universe of need and of labor market phenomena.

Fiscal 1976 Plan. It may have been expected that planning for fiscal 1976 would be free of the constraining conditions of the preceding year. In fact this was only partially true. The major reason was the assignment to the CETA agency of the responsibility for administering greatly increased funds for a public service employment program.

The effect of the new legislation (the Emergency Jobs and Unemployment Assistance Act of 1974) was to throw the manpower agency into organizational disarray. The assimilation of a rapidly expanding staff and Manpower Administration Regional Office pressure to fill public service job slots combined to produce a constant state of crisis. The appearance of Title VI disclosed the fact that not all public service slots under Title II had yet been filled.

During the early months of 1975 the staff was to concentrate on mechanisms for monitoring performance in the programs subcontracted during the preceding six months. Such assessment was expected to provide a foundation for subsequent program development--but the staff's attention was diverted to Titles II and VI.

Nevertheless, in April the staff prepared a preliminary planning document for the deliberations of the Title I task force and the Manpower Advisory Council. Based on guidelines established by the council, Title I allocations were to emphasize the needs of the economically disadvantaged, and public employment openings would serve the more recently unemployed. Foreseeing continued high unemployment, the staff prepared a preliminary plan that was conservative in estimating placements in unsubsidized employment. It was accepted by the council, but later revised upward after the Manpower Administration objected to the excessively low projections of enrollments and placements.

THE ADMINISTRATION OF MANPOWER PROGRAMS

Organizational Location in Local Government. A new department parallel to existing departments in the county government was created to administer manpower functions under CETA. Originally designated as the Office of Manpower Management, Planning, and Evaluation, its name was changed in January 1975 to the Middlesex County Comprehensive Employment and Training Administration (MCCETA).

The director of MCCETA had nine years of experience in the administration of manpower programs in various parts of New Jersey when he was selected by the Board of Freeholders' director. He was not a resident of the county at the time of appointment in December 1973. While no reservations were expressed about his competence in the field of manpower, some thought it inappropriate to have gone out of the county to fill the position.

Unit heads among CETA staff were selected by the director and most of the other positions by the staff personnel head. All appointments must be approved by the Board of Freeholders' director who signs the appointment forms. The director took pains to emphasize that no questions would be asked about political affiliations. CETA staff have the status of temporary employees not covered by civil service policies.

Central manpower administrative functions are lodged in the newly created county department. The discharge of various functions by the staff of the manpower agency links them with other departments in the county government, such as the finance, personnel, and welfare departments. Several county employees have transferred to the new department, but they constitute a small proportion of MCCETA staff.

The CETA administration has been plagued by organizational problems. The Manpower Administration Regional Office representative assigned to Middlesex County felt (as of March 1975) that management was the major problem to be solved by the agency. He acknowledged that he himself had spent very little time on Title I questions, concentrating instead on Titles II and VI. The unit in the CETA administration dealing with the Public Employment Program, Title II, and Title VI was greatly enlarged in size. At the same time, the planning and evaluation staff was concentrating on preparing Title VI proposals instead of performing its regularly assigned functions.

In April 1975 the Manpower Advisory Council arranged for the review of MCCETA management problems by a retired manager with experience in private industry. On the basis of his report, the council decided to reduce the administrative burden of the director by appointing a deputy director. Assigning direct supervisory responsibility for operations to the deputy would free the director for the overall planning of the agency's activities. Accordingly, a deputy director has been appointed.

Role of Elected Officials. It appears that the advent of CETA changed the official posture of county government completely with respect to manpower. Middlesex is one of those suburban counties that has benefited by manpower revenue sharing. Although it has several pockets of low-income minority groups, the county did not have the central-city concentrations of poverty populations that attracted large federal manpower funding before CETA. In fact, the county has been allocated more than $10 million for its manpower programs. When this funding level is compared to a total county budget of some $66 million, the interest and involvement of county government is easily explained.

Having displayed little interest in manpower in the past, the chief elected official has apparently adopted it as one of his major concerns. While there are potential political benefits to be derived, there are also pitfalls. The creation of a new visible agency enhances the prominence of manpower activities, although it is difficult to say whether in the first six months of operation the new program made a greater impression on the community than had the separate programs preceding it. However, rising levels of unemployment and the new legislation have made the existence of the agency more conspicuous. At the same time, despite the sizeable sums allocated to the county, the number of unemployed who can be helped is very small compared to the need. This creates problems for the elected officials. It has also given the mayors of municipalities the opportunity to claim that some of their problems come from the failure of the county to extend more timely support.

The nature of the potential political pitfalls was prominently demonstrated in June 1975 when the New Brunswick

Home News ran a series of articles charging that political favoritism and nepotism entered into the filling of about 60 of the 1,100 public service jobs supported in the county under the various public employment programs. While neither county officials nor MCCETA staff were held directly responsible--the actual selection among applicants referred by CETA was made by local municipal officials--the charges implied some laxity in CETA administration. County officials reacted vigorously, decrying the implications of the newspaper charges; the manpower council approved an investigation by a subcommittee appointed for this purpose.

Intergovernmental Relations

The redistribution of decision-making authority under CETA reduced the influence of state government in the administration of manpower programs, and changed the role of the U.S. Department of Labor (DOL) in the selection and control of local sponsors of manpower services.

The State Government. While decentralizing the major responsibility for manpower to local government, the CETA legislation assigned a variety of functions to the state government. Leaving aside the role of the state as prime sponsor for the balance-of-state area (five counties in New Jersey), those functions lodged with the State Manpower Services Council (SMSC) include the review, coordination, and support of the activities of prime sponsors. Additionally, through the Division of Vocational Education, the state is charged with distributing funds to the prime sponsors in support of skills training.

It is fair to say that the impact of the activities of the State Manpower Services Council on the conduct of manpower programs in Middlesex County during the first three quarters of fiscal 1975 has been minimal. One of the Freeholders represented the county on the SMSC and reported on its deliberations to the Middlesex manpower advisory council. SMSC staff representatives assigned to the county have been available for technical assistance as well as for consultation on labor market data supplied by the state

Division of Research and Planning. These services have been used on occasion, particularly during the preparation of the fiscal 1976 plan. However, Middlesex has not called on that staff to perform an extensive review of agency management nor does it appear that the state organization played any major role in deciding on the acceptability of either the fiscal 1975 or 1976 plans.

A series of projects undertaken by the State Manpower Services Council staff will no doubt be useful to Middlesex in supplying information of a comparative nature. These include a carefully prepared continuous monitoring mechanism involving monthly reports by prime sponsors on client characteristics and client flow and a detailed study of the operation of work-experience programs. Moreover, a portion of the state's 4-percent fund is being devoted to the training of local prime sponsor staff. The extent to which the services are used is left up to the prime sponsor.

The funds available to the state are not used as instruments of control. Thus far the prime sponsor has seen only slight benefit for Middlesex in the uses made of the 4-percent fund. Moreover, there is little leverage for the Vocational Education Division in the 5-percent fund available for vocational training, other than to insist perhaps on the selection of delivery agents. Given the state of the economy, skill training did not appear to the director to be of the highest priority. Although no local elected official would willingly forego an additional allocation, the absence of this vocational fund ($128, 000) would not be regarded as catastrophic. Middlesex has not lacked money for manpower programs as is evident in the large carryover to fiscal 1976.

The Regional Office of the Department of Labor. Relations between the Middlesex County CETA Administration and the Manpower Administration Regional Office during fiscal 1975 have not always been smooth. The director of CETA feels that the Regional Office, deprived under the law of its control over the essential aspects of manpower programs, has sought to impress itself by badgering the agency on peripheral matters. On the other hand, the Regional Office maintains that its primary responsibility to approve or disapprove prime sponsor plans gives it the right and the duty to insist that once a plan is developed and approved, the prime sponsor must fulfill its undertaking. Furthermore, to permit proper monitoring, program operating data must be supplied in an adequate and timely fashion by the prime sponsor.

The Regional Office considers the Middlesex Advisory Council to be one of the strongest in the state, but believes that the agency is overstaffed and plagued with management problems. In the course of the first year, complaints were made about the failure to supply such periodic reports as client characteristics data with the quarterly progress report. The most significant difference occurred in considering the preliminary fiscal 1976 plan submitted by the county. The Manpower Administration Regional Office judged the planned enrollment number and the indirect placements to be too low and considered the cost per indirect placement to be expensive. Those objections led to a revision of the plan. However, the director interprets the Regional Office position as a substitution of Regional Office policy with respect to serving the hard-core unemployed for the judgments of the Manpower Advisory Council and the agency.

THE MANPOWER DELIVERY SYSTEM

Just as the transfer of authority to county government signaled a change in the role of the state and federal government departments in the conduct of manpower programs, so did it affect the position of local agencies as sponsors and organizers of manpower programs. In this section the reorganization of manpower program delivery and the effects on the agencies primarily concerned are described: the local offices of the employment service, the county vocational education schools, and the major community-based organizations.

The conception held by the Middlesex County CETA representatives of an appropriate service delivery system strategy is the centralization of client-intake functions and the provision of training and other services on a subcontract basis with other agencies. The intention is to maintain control over the initial assessment of client needs and interests, and to ensure that referral will be consistent with assessment. It is the view of the council that the CETA staff should not undertake the performance of training and education functions except in the unlikely event that appropriate facilities are not available elsewhere in the county. MCCETA receives and reviews proposals for services submitted by outside groups and agencies, either on their own initiative or in response to specific requests. These are presented to the council, which in turn either rejects or recommends approval to the Board of Freeholders.

The Employment Service. The centralization of intake, referral, and program subcontracting by the MCCETA staff changed the role of the two employment service offices in the county. CETA encouraged prime sponsors to utilize the facilities of the ES in conducting manpower programs, but imposes no obligation to do so. A contract negotiated with the New Brunswick employment service provides for assignment of seven employment service employees to CETA manpower duties. Of these, five are paid for by MCCETA, and two are contributed by the ES. Four of the employees are outstationed in two outreach centers, one each in New Brunswick and Perth Amboy.

Under MDTA the employment service was responsible for a wide range of manpower services: (1) determining the need for training; (2) selection, testing, and referral of trainees; (3) performance monitoring and follow-up; and (4) job development and placement. Its role under the contract with MCCETA is limited to certification of applicants, some preliminary counseling and testing. Once certified, applicants are sent to the MCCETA office for assessment, counseling, and referral. At the completion of training the normal placement services of the ES are available to the participants.

Inasmuch as activities under MDTA (in which the employment service was heavily involved) had fallen off in the county in the year or two preceding CETA, the local offices of the ES are considerably more involved in manpower than they had been. Their role has become more widespread, but entails less responsibility for key decisions. Although the contractual arrangement appears satisfactory to both parties--the MCCETA director acknowledges the expertise of the ES--there was some evidence of tension in the early CETA period. There was resentment on the part of those who felt that despite the experience of the ES, when substantially increased funds for manpower were made available to the county, responsibility was transferred to less knowledgeable persons and agencies.

At the same time, however, the managers of the employment service offices have assumed a more active role in the Manpower Advisory Council than had been the case in the predecessor ancillary manpower planning board. The manager of the New Brunswick office is a member of the Title I task force and is secretary to the council. He sees the council as a forum in which he can contribute on the basis of his experience and a vehicle through which he can establish closer contact between the ES and county officials.

Local Vocational Education Agencies. The agencies in a position to supply classroom training are more strongly represented on the CETA council than they were on the ancillary manpower planning board. The vocational education system is represented by the superintendent who attends meetings with some regularity, whereas he had sent a staff member to AMPB meetings. The president of Middlesex Community College was a diligent member until his recent retirement. The council includes a deputy of the county superintendent of schools and the director of the residential manpower center, a Job Corps establishment run by the state Division of Vocational Education.

The community college president thought his school could make a contribution and pressed for a contract to do vocational training. By contrast, the vocational education schools are, in their sphere, independent and elitist. They have a waiting list of 1,000 day students and have no difficulty in filling their facilities during the evening. As a consequence they were not disturbed when MDTA courses disappeared (they conducted none after June 1972) and were not greatly put out by the failure of

CETA to use their facilities. However, they have offered some skill training programs under the state grant for vocational education (the 5-percent fund) allotted to the prime sponsor.

The CETA administration has not gone beyond that contract and one in effect with the residential manpower center for additional skill training. The state of the labor market has led the prime sponsor to favor classroom training of the general, remedial type adult basic education and English as a second language.

Community-Based Organizations. Two community-based organizations were active in the delivery of manpower services in Middlesex County before CETA: Project Action and the Middlesex County Economic Opportunity Corporation (MCEOC). Project Action has been absorbed by MCCETA but retains the functions of outreach, recruitment, intake, and placement. Each of its two centers includes two outstationed employment service employees. Thus it becomes part of the centralized intake system organized by MCCETA.

The Middlesex County Economic Opportunity Corporation may be the only manpower agency in the county to have suffered a deterioration of position since the advent of CETA. As the community-action agency in the county since the beginning of the Economic Opportunity Act (EOA), it received a large share of the allocations recommended by the ancillary manpower planning board for fiscal 1974. The programs were continued for limited periods under CETA but have largely been phased out. The MCEOC retained an on-the-job training program that ran through June 1975, and until March 1975 continued to operate a reduced Neighborhood Youth Corps out-of-school program. A proposal for continued funding is under discussion; meanwhile, the county contributes to salary support of the MCEOC manpower staff.

The fiscal 1975 Title I plan narrative contained a reference to an unfavorable performance assessment of the programs operated by the Middlesex County Economic Opportunity Corporation. The appraisal appears to have been based on a comparison of intended and actual enrollments in the early part of 1974. However, the MCEOC spokesman claims that no account was taken of the special conditions affecting the low enrollment levels, namely, a freeze directed by the Manpower Administration Regional Office and the failure of the agency to receive notification of the lifting of the freeze until some time after it was announced.

Thus far in the history of CETA in Middlesex County, one conspicuous consequence is the reduction in the status of community-based organizations. One must, however, be cautious in using this fact to support wider generalizations. The Middlesex County Economic Opportunity Corporation had a turbulent history in the county, one that indicated, at best, sharply divided community sentiment and perhaps the absence of the kind of support that would in any event have permitted it to continue. Recently the Board of Freeholders was able to change the top leadership amid expressions of optimism about its future promise. If the projection turns out to be accurate and if an acceptable manpower project is negotiated, the MCEOC may continue as a subcontractor in the delivery of services to the low-income minority community in the county.

It may be noted that although several Puerto Rican groups were represented on the ancillary manpower planning board, they did not administer manpower programs. However, the Puerto Rican Action Board, which is represented on the council, has won approval for a proposal for pre-vocational training of Spanish-speaking persons.

PROGRAMS AND CLIENTS

Earlier sections of this study have been concerned with the consequences of CETA for the structure of the manpower training system in Middlesex. Perhaps the more important measures of the effect of the transfer of authority to the local level reside in the impact of the new system on the mix of programs mounted with the aid of federal funds, and on the characteristics of the clients served. To be sure, at a later stage in the operations under CETA, measurement will include outcomes such as the quality of placements and income gains, but except for gross placement rates, those criteria are not applicable at this time, with the county's having less than one year of experience under the new law.

Program Expenditures. For all of fiscal 1975, CETA Title I grants to Middlesex County equaled just over $3 million. It has been estimated that by June 30, 1975 approximately $1.7 million would have been spent with the remainder carried over to fiscal 1976.[2] At the end of the third quarter, accrued expenditures were distributed as follows (all expenditures expressed in thousands):

Total, all expenditures	$818
Administration	203
Allowances, wages and fringe benefits	245
Training costs	95
Support services	275

Allocations among Title I type programs, according to the third-quarter report, were:

Total, all expenditures	$818
Classroom training	395
On-the-job training	96
Work Experience	156
Services to clients	171

Inasmuch as enrollment in the final quarter was somewhat higher in work-experience programs, the final figures for the year showed a slightly higher proportion of total expenditures allocated to that activity.

Program Mix. By the end of May 1975, MCCETA had enrolled 1,322 individuals. Of the total, 721 had been terminated and 601 were still enrolled. The distribution of those currently enrolled indicates the program emphases adopted by MCCETA in the use of Title I funds (see Table 1).

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[2] Cumulative fiscal 1975 expenditures through June 30, 1975 amounted to $1,583,000.

TABLE 1. **Middlesex County, Current Enrollment by Title I Program Activity, May 1975.**

Program Activity	Number Enrolled
All Activities	601
Classroom training	229
Basic education	95
Skills training	63
Skills training (VOED)[a]	71
On-the-job training	41
Work experience	331
In-school (Woodbridge)	81
In-school (Perth Amboy)	32
In-school (New Brunswick)	56
Out-of-school	162

Source: Middlesex County CETA Management Information System Records

[a] Skills training supported by State 5% Vocational Education funds.

The emphasis in classroom training on non-vocational education is a consequence of the deteriorating economic situation in the course of the year. It appeared to the CETA director that with increasingly serious placement problems, the rational course was to focus on remedial general education rather than on specific skills training.

An on-the-job training contract with the state Department of Labor and Industry ran into similar difficulty because employers were increasingly unwilling to take on CETA clients. The planned number to be placed was drastically reduced after January 1975. Two other OJT contracts are noteworthy even though they are not innovative, having operated in the county under statewide contracts. One is with the New Jersey Motor Truck Association for OJT in the handling of trailer trucks.

The second is for on-the-job training of 18 mentally retarded persons under the sponsorship of the National Association of Retarded Citizens, a group that has contracts for 600 training slots in the state of New Jersey.

Apart from the changes noted, the evidence is that the program mix adopted by MCCETA differs little from that of the preceding year (1974). In particular there is no evidence yet that the elimination of program categories has altered the types of training offered or the choices open to participants. If and when a change occurs, it will result from the central assessment and counseling procedures. The ultimate goal is to make referrals to programs on the basis of a more carefully developed employability plan--one that fits individual needs. Thus far, however, some recruitment into programs has continued to be made by sub-grantees. Moreover, the value of centralized assessment will in turn depend on the range of program alternatives available.

Number of Clients Served. The fiscal 1974 plan prepared by the ancillary manpower planning board provided for 875 slots, not including 500 recommended for the 1974 summer youth program. The CETA Title I plan envisioned a total enrollment of 2,248, apart from both the 1974 and 1975 summer programs. (1,272 clients were served in the 1974 summer program.)

As shown in Table 2, the original plan was reduced considerably. By the end of May 1975, 1,322 persons had been served, and it appeared unlikely that this number would be greatly changed by the end of the fiscal year.[3]

The drop in total enrollment from the planned number and the small number of indirect placements are attributed by the agency to a sharp deterioration in economic conditions in the county and, in the early months of 1975, to almost complete diversion of staff attention from Title I programming to the administration of Titles II and VI.

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[3] The number of individuals served had increased to 1,369 by June 30, 1975. The number who terminated increased with the end of the school year.

TABLE 2. Middlesex County, Title I, Participant Status, July 1974 to May 1975

Status of Enrollees	Number
Total Enrollments	1,322
Individuals terminated	721[a]
Entered employment	291
Direct placements	198
Indirect placements	59
Self-placements	34
Other positive terminations	154
Non-positive terminations	215
Status unidentified	61
Current enrollment	601

Source: Middlesex County CETA Management Information System

[a] Concepts used are defined as follows: Individuals terminated are those who left the project for any reason; direct placements are those who were placed in unsubsidized employment after receiving only minimal services; indirect placements are those placed after participating in CETA training or employment activities, or supportive services. Self-placement refers to those who obtained employment by their own efforts. Positive terminations are those who left to attend school, join the armed forces, or to engage in another activity which increases employability.

Characteristics of Clients. MCCETA officials interpreted the granting of authority and of funds for manpower programs under CETA to a suburban county to imply a broader potential client base than the one envisaged under EOA and MDTA. That view was reinforced as unemployment rose towards the end of 1974, when applicants were expected to include larger numbers of recently unemployed white persons. However, with the addition of

Title VI it appeared reasonable to utilize emergency public employment funds for those job-ready applicants while reserving Title I funds for those with more severe handicaps to stable employment. That division of emphasis has been carried over to the fiscal 1976 plan.

Table 3 gives a summary view of the significant segments selected by the prime sponsor for special emphasis when the fiscal 1975 plan was prepared. The number in each segment served during the first three quarters is shown in Table 3.

Perhaps the most striking aspect of the planned distribution is the emphasis placed on the enrollment of women. That emphasis was intended to reflect the needs of women wishing to enter or reenter the labor force--those who supplement family income or those who are heads of households. The planned allocation for child care services was considered a means toward that goal. The presence on the council of a representative of the Women's Caucus is thought to have had an influence on those decisions.

TABLE 3. Middlesex County, Planned and Actual Enrollment of Title I Clients, by Significant Segments, as of March 1975

Significant Segments	Planned Number	Actual Number
Black	336	319
Spanish	111	151
Welfare recipients	96	245
School dropouts	136	408
Vietnam era veterans	57	32
Women	558	304
Older workers	181	6
Ex-offenders	6	10

Source: Middlesex County CETA Management Information System

The remaining target groups appear to follow the experience of the past, although the Spanish-speaking members of the council thought that the targeted number for their group was too low. Recently, a contract has been negotiated with a Puerto Rican organization for prevocational training that should raise the number of enrollments in that client group. The Manpower Administration Regional Office appears to have made no effort to influence the prime sponsor's selection of client groups.

In a report prepared for the Manpower Advisory Council in June 1975, the MCCETA staff listed the following breakdown of participant characteristics.

Characteristics	Percent
21 years of age and under	64
Less than 8th grade education	15
Less than high school graduation	67
Economically disadvantaged	72
Welfare recipients	36
Black	52
Spanish-speaking	23

Intended to demonstrate the low placement potential of participants in a recession economy, the composition of MCCETA trainees also demonstrated that the expectation of a broader potential client mix than prevailed under the pre-CETA categorical programs has not been realized.

SUMMARY AND CONCLUSIONS

Within certain limits, CETA shifted control over manpower programs in Middlesex County from the federal and state levels to county government. The central question to be answered through a review of the county's experience during the transition period is the following: To what extent has the transfer of control changed the degree of effectiveness with which the employment problems of the unemployed, the underemployed, and the economically disadvantaged are treated, or perhaps more realistically, to what extent is there promise that there will be, in time, a significant improvement?

It is unfortunate that the first year of the new system coincided with the sharpest recession in the postwar period. Once established on a continuing basis, local manpower planning will obviously have to take account of fluctuations in employment and unemployment but the adjustments required by high unemployment in fiscal 1975 overtaxed a system in its formative stage. Economic conditions compounded organizational problems that would have been severe even with a lively demand for labor--the sine qua non of manpower programs for the disadvantaged.

By the end of the first year of operations, Middlesex County government had accepted manpower services as a valid and important county function. A strong Manpower Advisory Council and a specialized staff were in place, and both are supported by key elected officials. Members of the council have devoted many hours to problems arising in the course of the year and have no doubt become more informed on the elements of manpower planning and programming. Broad policy guidelines have been laid down for the staff. However, a question remains regarding the extent to which even active members have developed a fundamental understanding of the implications of training for those severely disadvantaged in the labor market or of the elements of comprehensive manpower planning for the county.

The staff, too, consists of men and women who have been deeply immersed in the work of the agency, yet few of them had experience in manpower training administration. Instead of experiencing a relatively smooth period of orientation and training, they were overwhelmed by repeated crises arising in part from the deteriorating economy, in part by the pressures of the council requiring staff input to discharge council functions, and in part by the rapid growth in size and staff turnover. Organizational and management problems surfaced just when the pressure to fill Title II and Title VI slots was greatest. They have since led the council to add a deputy director in the interest of freeing the director from some administrative duties.

The problems confronting the agency in its first year are undoubtedly reflected in the quantitative outcome--the fact that in a local area in which the universe of need far exceeds the reach of manpower grants, almost one-half of the 1975 allocations were not spent but carried over to fiscal 1976. However, it should be pointed out that the timing of federal government obligations was not without some influence. Funds were not made available initially until some months following the beginning of the fiscal year, and an additional discretionary allocation was not made until well into 1975. This does not altogether explain the low enrollment figures nor the low placement rates. Harrassed, and to some extent unsure of themselves, the staff acted on some proposals for sub-grants only after long delay.

Fiscal 1976 looms ahead with target on enrollment and placement in excess of those judged reasonable by the staff and the council in the initial planning, given the placements record in the final months of fiscal 1975 and the prediction that unemployment rates will remain high in the county. Nevertheless, the higher estimates will test the ability of the council to envision the program in more comprehensive terms. Members have already recognized the need to organize the community for job development, and plans are being made to impress this on local business enterprises. Moreover, the staff is now more aware of the capabilities of program delivery agencies in the county and should with the aid of established criteria arrange sub-contracts with more assurance and less delay.

When a longer history of CETA in Middlesex County is written, the second year is likely to be added to the first as a continuation of the transition period. The fact is that amelioration of the employment problems of the disadvantaged presents problems so severe that even the best organized manpower agencies confront limits on effectiveness, particularly during periods of slack demand for labor. In the long run the potential exists, given the character of the council and the involvement of county government, for the development of a manpower department with broad influence on manpower training and labor force needs in the county.

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Lorain County, Ohio

Jan P. Muczyk*

IMPACT OF CETA ON MANPOWER PLANNING

The Structure of the Planning System. With the creation of the Cooperative Area Manpower Planning System (CAMPS), Lorain County, Ohio became a part of a balance-of-state arrangement through a three-county ancillary manpower planning board (AMPB) consisting of Lorain, Erie, and Huron Counties. When the Comprehensive Employment and Training Act (CETA) was passed, the Lorain County commissioners decided that Lorain County should become a single-county prime sponsor. Erie and Huron Counties remained under the CETA balance-of-state prime sponsor. Subsequently, a transitional planning council was appointed by the Lorain county commissioners and later designated as the CETA Planning and Advisory Council.[1]

Lorain, Erie, and Huron Counties do not constitute an integrated labor market, although they are geographically contiguous. This is evidenced by the fact that Lorain County and the Lorain Standard Metropolitan Statistical Area (SMSA) have identical boundaries. Even under the three-county ancillary manpower planning board, Lorain County had a disproportionately large share of manpower clients, employees, and manpower programs.

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[1] The data for this report were collected in December 1974 and January 1975.

Since the ancillary manpower planning board did not have planning staff resources, all data that were used for planning purposes were provided by the Ohio Bureau of Employment Services (ES) representatives on the AMPB. The CETA Planning and Advisory Council, not having a planning staff either, must rely on the Lorain County CETA administrator and his staff for labor market and related data used in planning. The ES continues to supply the CETA administrator with the kinds of data that had been available to the AMPB.

Composition of the Planning Council. The membership of the ancillary manpower planning board was dominated by three groups: (1) state employment service representatives, (2) vocational education representatives, and (3) elected officials and appointed public administrators. Only representatives of the ES and the vocational education agency attended meetings regularly and were involved on a continuous basis. The chairmen of the AMPB were ES personnel. What little direction was provided to the AMPB came from the representative of the State Manpower Planning Council (SMPC). Theoretically, the AMPB reported to the state council, but as a practical matter, it operated independently.. The concensus is that the AMPB was ineffective and had considerable difficulty in making allocation recommendations that would utilize all available funds. Although the SMPC had the authority to appoint members to the AMPB, this responsibility was exercised by the chairman of the AMPB. The problem was not one of denying membership to anyone but of finding people interested enough to be active on the pre-CETA planning board.

The county commissioners have the authority to appoint members of the CETA Planning and Advisory Council. In practice, however, the county administrator (who is also the chairman of the council) and the CETA administrator invite people to be members. The original membership of 20 was dominated by elected officials and public administrators working for county and city governments. The influence of the ES and the vocational education agency on the ancillary manpower planning board was thus diminished considerably. Representation of business, labor, and community-based organizations (CBOs) was minimal. The latter deficiency was noted by the Regional Office of the Manpower Administration (MA) and as a consequence, the council has since been expanded to give greater representation to these interests and to manpower clients.

Functions and Authority of the Councils. Because the ancillary manpower planning board had no staff, it relied on the employment service for planning data. AMPB members submitted a request for funds to the State Manpower Planning Council for categorical programs administered by the ES, the vocational education agency, and the Lorain County Economic Opportunity Committee, and for the Public Employment Program, which was separately administered by Lorain County, Erie County, Elyria City, and Lorain City. There was little analysis of the universe of need and the AMPB was frequently at a loss for ways to allocate money designated for the area. In short, very little real planning occurred.

Lorain County is one of only two prime sponsors in Ohio without previous experience in administering manpower programs, with the minor exception of a small Public Employment Program and the youth employment program in summer 1974. Recognizing this dearth of experience and the time pressure imposed on Lorain County by the Manpower Administration Regional Office for the fiscal 1975 Title I plan, the CETA Planning and Advisory Council ratified the Title I plan, which of necessity was put together hastily by the CETA administrator and the Regional Office representative.

The CETA Planning and Advisory Council is constituted through by-laws and meets as a formal body. The county commissioners, the county administrator, and the CETA administrator all agree that the council will have a much greater role in the future than in the first planning cycle. The Regional Office representative concurs with this assessment. Although the CETA administrator has provided direction for the council to date, it is anticipated that the future roles will be reversed. No major disagreements among council members have surfaced so far.

Elected officials displayed little interest in the activities of the ancillary manpower planning board, primarily because they were not involved in operating manpower programs prior to CETA. Furthermore, manpower funds prior to CETA were not sufficient to excite their interest; they were content to let the State Manpower Planning Council, the employment service, and the vocational education agency handle matters. CETA changed the elected officials' interest in manpower by providing funds that they could not overlook. Elected officials and their appointed administrators are well represented on the council, and they are becoming quite active, especially with regard to the Title II and Title VI public service employment programs.

The CETA Planning and Advisory Council reports to the county administrator, an appointed official who manages the affairs of the county on behalf of the commissioners. The county administrator was also appointed by the commissioners as chairman of the CETA Planning and Advisory Council.

Development of the CETA Planning Document. The first CETA plan was assembled by the CETA administrator and the Regional Office representative. Since Lorain County lacked manpower experience, the census data and information supplied by employment service constituted the only data base. The original Title I plan reflected previous categorical manpower activities. Because initial Title I funds arrived late due to the delays in approval of the plan, modification of the plan was required so that the entire Title I allotment would be expended prior to June 30, 1975. Thus, some of the Title I money was applied to the work-experience activity in an effort to expend funds according to the schedule mandated by the Regional Office. The biggest problems in the development of the Title I plan have been the lack of experienced staff, late and ambiguous guidelines, and the time pressures.

The CETA Title I plan was publicized in the Lorain Journal and the Elyria Chronical Telegram, but no comments were reported to the CETA administrator. The prime sponsor is continuing the fiscal 1975 planning system for fiscal 1976, with the CETA Planning and Advisory Council playing a substantially larger role.

Impact of Public Employment Legislation. The rise in unemployment and the passage of Title VI has not affected Title I planning to date. High unemployment may, however, have an impact on future planning. Some key officials question whether spending money on training during periods of high unemployment makes any sense. The temptation to turn CETA into public service employment and work-experience in the public sector programs is indeed great. The reluctance of voters to approve tax increases may also tempt elected officials to use CETA money as a substitute for locally generated operating revenues. It is to the credit of Lorain County officials that they have resisted the temptation so far.

THE ADMINISTRATION OF MANPOWER PROGRAMS

Local Government Experience. Lorain County had virtually no experience operating manpower programs, so obtaining a historical baseline in Lorain County was no small accomplishment. Everyone, it seems, was new to the job. The CETA administrator (manpower director) had held the post for approximately seven months (at the time of the interview), and was new to manpower since the position or its equivalent did not exist prior to that time. The employment service CETA coordinator for Lorain County had held the post for four months at the time of the interview, having had no manpower experience prior to assuming the position. The executive director of the Lorain County Economic Opportunity Committee (LCEOC), the Lorain OEO, is new to the county and had also been on the job approximately four months. The Regional Office representative was assigned to Lorain County in April 1974 and was subsequently replaced. The county administrator was a member of the ancillary manpower planning board, but did not attend many of the meetings. The county commissioners took little interest in the AMPB and the old categorical programs; hence, they could shed little light on the pre-CETA state of affairs.

The following programs encompassed the pre-CETA manpower network in Lorain County. Prior to the summer of 1974 the Neighborhood Youth Corps (NYC) programs were administered by the Lorain County Economic Opportunity Committee, which took them over from the city of Lorain Board of Education. When Lorain County absorbed the NYC programs, it discontinued the NYC in-school and NYC out-of-school programs, and retained the summer program only. Manpower Development and Training Act (MDTA) institutional training was co-administered by the employment service and the vocational education agency. The ES operated a modest MDTA on-the-job training program, and the National Alliance of Businessmen had an arrangement with the ES for a small Job Opportunities in the Business Sector program.[2]

As a prime sponsor, Lorain County now has the administrative responsibility for all CETA-funded activities. Since the prime sponsor was not equipped to deliver Title I services to clients, contracts were developed with service delivery agents so that the funds could be spent in fiscal 1975.

Organizational Location of Administrative Functions in Local Governments. The position of CETA administrator was created in the Intergovernmental Programs Office of the county government. The CETA administrator and staff of 15 constitute the equivalent of a department of human resources. The CETA administrator reports to the county administrator, who in turn reports to the county commissioners. No problems have been encountered as the result of locating the CETA administrative unit in the Intergovernmental Programs Office.

The CETA administrator was appointed by the county commissioners because he had had previous experience with federal agencies such as the Department of Housing and Urban Development and the Department of Commerce. The administrator is an urban planner by training and experience. The CETA administrator assembled a staff that, for the most part, was untrained and inexperienced in manpower.

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[2] Job Opportunities in the Business Sector, sponsored by the National Alliance of Businessmen, is an OJT program for the hard-core unemployed.

Centralized Administration. Budgeting, contract monitoring, overall supervision, fiscal accounting, and other management functions are being handled by the CETA administrator and his staff. This unit also administers the summer youth employment program, Title II and Title VI programs, and the on-the-job training component of Title I. The balance of Title I services are being subcontracted, primarily to the employment service and the vocational education agency.

Developing and modifying plans, interpreting changing and ambiguous guidelines, hiring a staff, and subcontracting with service delivery agents have left little time for anything else. Consequently, a management information system and an evaluation capability were not in existence at the time of this study.

Other units of government and pre-CETA operators have no objection to the present arrangement as long as they participate in CETA planning, although the city of Lorain would like to become a program agent. In this regard they are being accommodated through subcontracts.

Title VI places an additional burden on a CETA staff that was poorly prepared to plan for and administer Title I and Title II. Nonetheless, the funds are welcome since they have fewer restrictions than Title I and Title II funds.

The Role of State Government in CETA

Prior to CETA, the State Manpower Planning Council reviewed plans submitted by the ancillary manpower planning board and formulated recommendations for funding to the Regional Office of the Manpower Administration. Under CETA, the involvement of the state is limited to the 5-percent vocational fund and the 4-percent manpower services fund. The chairman of the Board of County

Commissioners and the county administrator are members of the State Manpower Services Council (SMSC), but had no knowledge about the disposition of the 4-percent manpower services fund when interviewed. Lorain County has, however, received $121,200 of the state's 5-percent vocational fund for fiscal 1975. The prime sponsor transmits copies of its applications and plans to the SMSC for review and comments.

Because the Ohio Bureau of Employment Services and the state vocational education agency were the only program operators prior to CETA, with the exception of the operators of the Public Employment Program and the Neighborhood Youth Corps, they may be considered the lead agencies by default. As alternative service delivery agents are developed in Lorain County, the roles of the ES and the vocational education agency may diminish.

MA Regional Office/Prime Sponsor Relationships

It is difficult to say whether or not the role of the Regional Office of the Manpower Administration has increased or decreased under CETA. It is safe, however, to say that the role is different. Prior to CETA, the role of the Regional Office's representative was clear. The representative was to enforce the guidelines of the categorical programs in existence in the ancillary manpower planning board area; in that role he knew that he had considerable power. The role of the Regional Office representative under CETA is not well defined. Because the local prime sponsor is now primarily responsible, the Regional Office representative must develop a new kind of relationship with it. The Lorain County federal representative attempts to perform the following functions: (1) provide assistance in preparing grant applications and plans; (2) interpret guidelines; (3) ensure that monthly and quarterly progress reports are submitted on time; (4) influence the local prime sponsor to create a balanced program, that is, to encourage skill training through classroom and on-the-job training programs as opposed to transforming CETA into public service employment and work-experience in the public sector programs; (5) provide some staff training; and (6) encourage broader representation on the local CETA Planning and Advisory Council.

As of mid-fiscal 1975 the relationship between the prime sponsor and the Regional Office has been a bureaucratic one: the prime sponsor must put together a grant application in acceptable form, submit progress reports on time, and propose grant modifications; the Regional Office interprets guidelines, reviews grant applications, and explains how forms are filled out. Such bureaucratic requirements have become a source of frustration to the prime sponsor staff, but as the CETA staff becomes proficient in handling such red tape, this frustration may diminish. The CETA administrator would like more training assistance and less bureaucratic hassle and believes the quantity of Regional Office involvement to be considerable, but the quality low.

The control over manpower programs has shifted to the local prime sponsor, and may shift even more as the prime sponsor fully appreciates the lack of legislated authority vested in the Regional Office. The Regional Office appears to be groping for a new role and in the meantime is doing what it knows best--trying to run CETA programs as if they were still categorical programs.

The administration of manpower programs has not been simplified. It has been complicated, at least temporarily, by positioning the CETA staff between the Regional Office and the service delivery agents who have subcontracts with the local prime sponsor. However, the Regional Office has not pressured the prime sponsor to involve the employment service, the vocational education agency, and community-based organizations in the CETA delivery system. Consequently, local vested interests that had not been involved in pre-CETA manpower programs are beginning to participate, thereby making the local Title I delivery system more complex and fragmented than the categorical approach. The danger in this strategy is obvious: Title I funds may become so widely distributed among delivery agencies that the impact of Title I programs on a single group may be diffused.

THE MANPOWER DELIVERY SYSTEM

Local Operations--An Organization Model. Prior to CETA, MDTA institutional training was co-administered by the employment service and the vocational education agency. The ES performed all of the functions with the exception of skill training. It also administered a small MDTA on-the-job training program, and a modest Jobs in the Business Sector program in cooperation with the National Alliance of Businessmen. The Lorain City Board of Education had the initial responsibility for Neighborhood Youth Corps programs that were subsequently transferred to the Lorain County Economic Opportunity Committee, but the prime sponsor absorbed the NYC programs in the summer of 1974, discontinued the in-school and out-of-school components, and retained the summer youth employment program. In addition, before CETA, the prime sponsor also operated a Public Employment Program through the county administrator's office. The city of Lorain also administered its PEP program through the mayor's office. There was no duplication of manpower services in Lorain County because the programs were conducted on such a small scale prior to CETA.

Under CETA, outreach is performed by the Neighborhood House Association, the employment service, and the prime sponsor, with intake being performed by the ES and the prime sponsor. Classroom training is conducted by the Lorain Board of Education, by the Libra Production Center, and the Lorain Business College; the latter two are proprietary organizations. Job development is the responsibility of the ES and the National Alliance of Businessmen, and the ES is charged with job placement and the payment of allowances. Client tracking and recordkeeping responsibilities are retained by the CETA staff, which also administers the summer youth employment program, Title II, Title VI, and the on-the-job training program. All services provided by agencies and organizations other than the CETA office are provided under subcontract with the prime sponsor.

The above description of the CETA delivery system is the formal description. However, active outreach has been discontinued because of the abundance of walk-in traffic. Furthermore, many of the services provided by the employment service under subcontract are being duplicated by CETA staff, educational agencies, and the Neighborhood House Association. The CETA administrator even conducted his own unemployment survey because he lacked confidence in the ES data. Approximately $8,500 was used to finance the survey.

Although the early subcontracts were awarded to the employment service and the vocational education agency, other organizations that had been strangers to federally funded manpower programs have also received subcontracts, for example, the Neighborhood House Association, Lorain Business College, and the Libra Production Center. The likelihood is high that subcontracts will also be awarded to the Lorain Multi-Services Center, Inc. and Lorain County Community College. The Lorain County Economic Opportunity Committee, which administered Neighborhood Youth Corps programs prior to their absorption by the prime sponsor, may also receive a subcontract.

The prime sponsor was contemplating the continuation of the same basic delivery system in fiscal 1976, with possible shifts of some funds from one component to another. No one appears to be displeased with the design of the delivery system. The vocational education agency personnel would prefer to deal directly with federal representatives, but as long as they receive the bulk of funds for skill training, they will be reasonably satisfied. The Regional Office wants to prevent CETA from becoming exclusively a public service employment program. As it is, approximately 70 to 75 percent of all CETA funds in Lorain County were likely to end up in public service employment and work-experience in the public sector programs. The distinction between public employment and work-experience programs is purely semantic. The fiscal 1975 CETA allocations for Lorain County are shown in Table I by major funding title.

The major problem with the CETA delivery system in the early stages has been to motivate the vocational education agency to initiate more substantive skill training classes. During the first year, classroom training

TABLE 1. Lorain County, CETA Allocations by Title, Fiscal 1975

Title	Amount
Total Allocations	$1,985,400[a]
Title I Comprehensive Manpower Programs	841,200
State Government Vocational Education Fund (5%)	121,200
Title II Public Employment Programs[b]	325,100
Title VI Public Employment Programs	697,900

Source: Lorain County CETA Administrator

[a] Excludes funds for Summer 1975 youth employment program.

[b] Includes Fiscal 1974 Title II allotment of $173,400.

has been limited to pre-vocational orientation. Evaluation of delivery agents' performance by the prime sponsor and competitive bidding have not been considerations in the past, but may be in the future.

Role of Local and State Employment Service Offices. The Ohio Bureau of Employment Services continues to be represented on the CETA Planning and Advisory Council, but the CETA administrator, his staff, and the Regional Office representatives play the dominant roles in the planning process. ES involvement and success in pre-CETA programs were minimal at best. The MDTA institutional training programs did not represent major efforts. The ES no longer operates any manpower programs in Lorain County. It provides, however, certain functions for Title I programs under subcontract with the prime sponsor in the amount of $173,069 ($80,000 of which is earmarked for allowances). These functions include: recruiting walk-ins who qualify for Title I programs, intake, assessment and testing, job development and placement, and allowance payments. Although the ES no longer has a coordinating role, it is satisfied with the present arrangement.

The employment service has five CETA-funded positions, whereas it had only one designated manpower position prior to CETA, and that position was vacant much of the time. Prior to CETA, manpower activities were performed by the ES staff in addition to its regular assignments. Because manpower activity was very limited, the added responsibility did not tax the ES staff. The state ES encourages local offices to participate in CETA programs, but the prime sponsor must reimburse the ES through subcontract for any services beyond the functions stipulated in the Wagner-Peyser Act. As noted earlier, the Regional Office is neutral with regard to ES involvement.

Since CETA funding is not sufficient to handle more than a fraction of available disadvantaged clients, the employment service will continue to handle a significant segment of the disadvantaged pool through its Wagner-Peyser obligations and through the Work Incentive Program. The ES image with respect to the disadvantaged and their advocacy agencies has been poor; CETA is expected to have no impact on that image in Lorain County.

Role of Local and State Public Vocational Education Agencies. The vocational education agency is adequately represented on the CETA Planning and Advisory Council, and it remains the primary provider of pre-vocational orientation and skill training. Under CETA the prime sponsor has awarded the vocational education agency subcontracts totaling $116, 307 during the first year to administer pre-vocational orientation for approximately 175 persons. In fiscal 1974 the vocational education agency had 40 skill training slots (i. e. machine set-up operator) and a budget of only $50,180.

Clearly, the vocational education agency is better off under CETA even though the Libra Production Center and Lorain Business College were also awarded small contracts. As previously mentioned, the Lorain County Community College was expected to receive a subcontract as well. Since CETA provided more money than was anticipated, sharing the larger pot has not diminished the agency's role compared to its pre-CETA level of activity, even though it is no longer to be an exclusive deliverer of skill training. Lorain County's share of the 5-percent vocational fund ($121,200) went to the vocational education agency, but plans for this money have not been made. The Regional Office representative feels that the formula for allocating the 5-percent fund understates the need in Lorain County. Agency representatives look with disfavor at the concept of competitive bidding since they believe that the vocational education agency has the most qualified teachers and the best facilities.

The vocational education agency's slow pace in establishing skill training classes has been a disappointment. The absence of public transportation in Lorain County has also presented a problem. A new, well-equipped vocational high school has been constructed in Oberlin--approximately 20 miles from the population centers of Lorain and Elyria. The need for acquiring private transportation has consequently become apparent. The agency's desire to conduct skill training classes in the evening and during the summer months when facilities are unused is also a less than satisfactory approach, according to the CETA administrator, because of the inconvenience of the facilities to CETA clients.

Role of Community-Based Organizations and Community-Action Agencies. The only community-based organization that had any manpower involvement in Lorain County prior to CETA was the Lorain County Economic Opportunity Committee, Inc. This agency lost the Neighborhood Youth Corps programs because its performance was perceived as inadequate by the prime sponsor and because of the inability of previous LCEOC executive directors to get along with community leaders, including elected and appointed officials.

The Lorain County Economic Opportunity Committee was not represented on the original CETA Planning and Advisory Council and filed a complaint through the Regional Office. The present executive director of the OEO agency has established sound relationships with key county personnel and has been invited to become a member of the council. LCEOC will probably receive a CETA subcontract, the nature of which has yet to be determined.

The Neighborhood House Association is the only community-based organization at the moment with a subcontract in fiscal 1975. The subcontract supports three counselor/coach positions. These individuals are responsible for guiding clients through the entire delivery system. The Lorain Multi-Services Center is likely to be brought into the CETA network in a role that is still unspecified.

Community-based organizations do not have a great deal of influence in Lorain County. There is no Opportunities Industrialization Center (OIC) or Urban League, and the NAACP does not appear to be exerting much influence. Yet, CBOs willingly compete for a role because they are certain that the prime sponsor will distribute CETA funds in such a way that legitimate bidders will receive part of the CETA funds. The Regional Office has not exercised any influence on behalf of the Lorain CBOs.

IMPACT OF CETA ON PROGRAM MIX AND CLIENTS SERVED

Program Mix. Title I in Lorain County is old wine in new bottles, but the reader must keep in mind that not much old wine was available prior to CETA. There is now additional money for an expanded number of delivery agents to serve more clients in the orthodox manner. The functions previously performed by the employment service and the vocational education agency are now shared with the prime sponsor and a number of other delivery agents that have claims on CETA funds. The major difference between CETA and its predecessors is the expanded size of public service employment and work-experience programs. Significant changes in the program mix are unlikely in fiscal 1976.

Clients Served. The manpower programs in fiscal 1974 were so small that they hardly had an impact on disadvantaged target groups. MDTA institutional training had only a small number of enrollees; MDTA on-the-job training was inactive; the Jobs in the Business Sector program was a disappointment; and the Neighborhood Youth Corps in-school and out-of-school programs were neglected. The county had a modest Public Employment Program, as did the city of Lorain. The summer youth employment program during 1974 worked well and served approximately 500 youths with a budget of over $450,000.

Under CETA in fiscal 1975, the prime sponsor planned to serve 1,030 clients, with 670 receiving some form of classroom training. According to the Title I plan, the clients would be the same as for the categorical pre-CETA programs. The following are the significant segments identified in plans to receive services:

1. Female heads of black and Spanish-American families on welfare;
2. Male heads of black and Spanish-American families on welfare;
3. Families with incomes below the poverty level;
4. Unemployed adult males and females including Vietnam veterans;
5. Unemployed adults and underemployed youth and young adults, 16-36 years of age;
6. Underemployed adults with limited English-speaking ability;
7. Unemployed and underemployed youth and young adults having low educational achievement levels.

In implementing the Title I program, emphasis on producing immediate results precluded conforming to the planned goals. Early figures show that the number of unemployed adults and underemployed youth and young adults exceeds the number planned, while the number of welfare family heads was far below the goals. The number of persons with limited English-speaking ability and school dropouts were also below expected levels. Anyone who was unemployed could be accepted; rising unemployment had already increased the number of applicants to the point where active outreach had been suspended. Title I funds are scheduled to be applied to disadvantaged groups, regardless of the unemployment level. Title II and VI programs, however, may be applied to unemployed, non-disadvantaged groups. Since the recession has produced job-ready clients through layoffs, those people may take up most of the Title II and VI public service employment slots.

CONCLUSION

It is too early to assess the impact of CETA accurately since the funding for fiscal 1975 arrived late and the data for this interim report were collected in December 1974 and January 1975. Nonetheless, CETA appears to be a substantial improvement over the categorical approach. Title I programs are taking longer to implement than one would like, especially classroom skill training and on-the-job training programs. Planning leaves much to be desired, and evaluation does not exist. Yet manpower activity has increased and honorable intentions are abundant.

The first half of fiscal 1975 has been a learning period and some mistakes have been made. As the CETA staff, delivery agents, the CETA Planning and Advisory Council, and elected officials gain manpower experience, performance results may be expected to follow. The Regional Office has been unsure of its CETA role, and this uncertainty has retarded program implementation. Once a working relationship evolves between the Regional Office and the prime sponsor, the ability of the prime sponsor to deliver services will increase.

4

Lansing Tri-County Regional Consortium, Michigan

Michael E. Borus*

THE SITUATION BEFORE CETA

Pre-CETA Planning. The Cooperative Area Manpower Planning System (CAMPS) was begun in the Lansing tri-county region in 1968, and the area was subsequently designated for a manpower area planning council (MAPC) in 1971. Under the MAPC system local elected officials were to prepare a comprehensive area manpower plan with recommendations to the U. S. Department of Labor (DOL) for specific kinds and levels of programs. The plans were to be developed by local planning councils and secretariat staff that were also charged with reviewing manpower program operations and with sharing information among manpower service agencies.

The geographic coverage of the manpower area planning council included the three counties of Ingham, Clinton, and Eaton. These were designated as a Standard Metropolitan Statistical Area (SMSA) until 1974, when a fourth county, Ionia, was added. Ionia County, however, is closer to the Grand Rapids area and has since been included in its MAPC and CETA area. Thus, the three counties were the natural labor market for consideration in both the pre-CETA and CETA planning.

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An executive board, which consisted of the mayor, a commissioner from each of the three counties, one Lansing city councilman, and the chairman of the Tri-County Regional Planning Commission, was charged with submitting the area plan. The mayor of Lansing was the chairman of this executive board and the single manpower advisory planning council staff member, the manpower coordinator, reported to the mayor's office, with which he was affiliated. In addition, there was the Technical Planning Council (TPC), composed of the local manpower professionals, to advise the executive board. The chairman of the TPC and the manpower coordinator served as the links between the executive board and the TPC. Finally, a number of subcouncils were established; however, after holding several meetings, which have been described as extremely frustrating, the subcouncils were dissolved.

The Technical Planning Council was made up primarily of the representatives of manpower service deliverers in the area who met quarterly. A smaller group of key manpower agency representatives met more frequently to maintain communications between the various organizations. The TPC discussed general priorities for manpower services in the area; groups would come to the TPC for approval of plans that they were submitting for federal funding. There appears to have been a general consensus in terms of manpower goals among the TPC members and consequently very few proposals were turned down. The TPC chairman has said that a conscious effort was made to avoid controversial matters at the TPC meetings in order to promote inter-agency cooperation. Planning was delegated to the manpower coordinator and TPC chairman, who then received approval of their plan from the TPC.

It would appear that the mayor and the executive board, in turn, were generally willing to accept the recommendations of the Technical Planning Council because there was very little decision making or administrative control at the local level. The local elected officials were involved only in approving plans and in agreeing that local agencies should seek federal funds; no local funds were involved and the interest of most of the executive board in manpower programs was limited. Thus, local government was not greatly involved in the administration of manpower programs prior to CETA with the exception of the planning and coordinating functions, which were performed by the manpower coordinator and the TPC.

Local Experience with Service Delivery. Seven DOL categorical programs were operated in the Lansing area in fiscal 1974. In all but one case, the programs were funded through direct contracts between the Regional Office of the Manpower Administration in Chicago and the operating agencies. The one exception was the Public Employment Program (PEP), which was funded by grants to local governmental units.

The local office of the Michigan Employment Security Commission (ES) was responsible for the nonacademic aspects of Manpower Development and Training Act (MDTA) institutional training. The ES office provided the planning, proposal writing, recruiting, referral, allowance payments, and subsequent placement and follow-up of program participants while the actual skills training was carried out by the Lansing Community College, the Lansing Business University, the Lansing School District, or in some cases on an individual referral basis. The Urban League operated a central intake center, which had a direct placement function as well as assessment, orientation and counseling functions. Operating from the same center were the Operation Mainstream and MDTA on-the-job training (OJT) programs. The Urban League did its own recruiting, had walk-in clients, and received referrals from other agencies. The Neighborhood Youth Corps (NYC) in-school program was run by the Lansing School District who recruited from among the students in their schools. The school district also ran the summer youth program, primarily for its own students. Finally, the Capital Area Economic Opportunity Committee, the local community-action agency (CAA), was responsible for the NYC out-of-school program. Each of these agencies was relatively autonomous, and services were not highly integrated. There was some cooperation in terms of referral of clients from one agency to another, and in the case of the NYC out-of-school program, the Lansing School District provided basic education to the NYC enrollees.

According to figures supplied by the Lansing Tri-County Manpower Administration, $1,830,032 was budgeted in fiscal 1974 for the area programs. As shown in Table 1, the Neighborhood Youth Corps out-of-school program, administered by the Capital Area Economic Opportunity Committee, received $134,540; the in-school program run by the Lansing school district was funded at $208,550; and the summer youth program, also run by the school district, received $411,330. The Urban League received $312,480 to operate the Operation Mainstream program, and $348,827 for the on-the-job training program and its Career Opportunity Center. In addition, $350,061 was allocated for MDTA institutional training. Finally, the Cooperative Area Manpower Planning System grant to Lansing was $64,244. Together these funds served nearly 3,800 persons.

Under the manpower area planning council delivery system, while there were four different program deliverers involved, there was not a great deal of duplication and overlapping of functions because the programs were oriented to different groups of clients. The youngsters who were out of school went to the Capital Area Economic Opportunity Committee's program. In-school youths were served by the school district. Among adults, those requiring institutional training were referred to the employment service office, and the others to the Urban League.

Two areas of overlap apparently did exist. Both the Michigan Employment Security Commission and the Urban League were performing similar intake and assessment functions, and several agencies were engaged in job development efforts. All of the agencies were attempting to find unsubsidized employment for their clients and both the Capital Area Economic Opportunity Commission and the Urban League were attempting to develop work-experience openings, although for different age groups. Moreover, there were a number of other service delivery agencies in the area not funded by DOL that were attempting to place their clients. These included programs for persons on welfare, ex-offenders, ex-addicts, persons

TABLE 1. Lansing Tri-County Region, Manpower Funding and Individuals Served, Fiscal 1974

Program Activity	Budgeted Funds[a]	Individuals Served
Total	$1,830,032	3,794
On-the-job training--Counseling (Urban League)	348,827	2,141[b]
Classroom training (Lansing Community College)	350,061	123
NYC in-school	208,550	460
NYC summer (1973)	411,330	668
NYC out-of-school	134,540	186
Operation Mainstream	312,480	216
CAMPS staff	64,244	--

Source: Lansing Tri-County Regional Manpower Administration (based on CAMPS records)

[a] Excludes funds received through the Michigan Employment Security Commission for local employment service manpower services.

[b] 2011 counseling; 130 OJT.

behind in their family support payments, Spanish-speaking persons, and American Indians. In addition, there were a number of agencies with job developers on their staffs, including the National Alliance of Businessmen, the Vocational Rehabilitation Service, Model Cities, and the NAACP. It is estimated that as many as 25 to 30 different agencies or groups have had job developers in the Lansing area during the last several years.

FORMATION OF THE CONSORTIUM

Because the manpower area planning council had been operating as a planning group in the three counties for approximately three years, with the passage of CETA it was natural at least to think about a consortium arrangement for the tri-county area. However, both the city of Lansing and Ingham County applied for planning grants as potential prime sponsors, since both were eligible. At that point there was a variety of possible prime sponsor combinations. The city of Lansing could form a consortium with any combination of Ingham, Eaton, and Clinton Counties. Ingham County could be a prime sponsor by itself or form a consortium with the other two counties. East Lansing could not form a consortium with Lansing but would be forced to go along with Ingham County. Eaton and Clinton Counties could either enter a consortium or be part of the balance of state (BOS).

Eventual formation of the consortium was a result of political trading. According to the former chairman of the Ingham County Board of Commissioners, the county should have a major role in funding decisions under CETA. He felt that under the manpower area planning council too much emphasis had been placed on Lansing and too much control had been vested in the mayor of Lansing. He therefore proposed that a board be established for administering the CETA program, and that this board operate independently of both the mayor and the county governments. At the same time, the city of Lansing had joined in a suit aimed at the A-95 review boards. In the Lansing area, the Tri-County Regional Planning Commission was the A-95 review board.[1] The commission was made up of representatives of the counties involved, but did not include any representatives from the city of Lansing. Consequently, the Tri-County Regional Planning Commission was considered to be rural in its outlook and often rejected plans submitted by the city. It would appear that participation by the city in the Tri-County Regional Planning Commission was of greater importance to the city council and the mayor than was control of the manpower program. The result was a compromise; Lansing was to be given seats on the Tri-County Regional Planning Commission through the support of Ingham County. The manpower consortium was to be established with Ingham County as the prime sponsor, but, in fact, with an independent administrative board. Furthermore the consortium board was to be divided in such a way that neither Lansing, Ingham County, nor the two outlying counties would have control. Lansing received four votes; Ingham County, three votes; each of the two outlying counties, two votes; and the city of East Lansing, one vote. As part of the agreement a similar arrangement was to be established with a tri-county consortium on aging except that the administrator of the consortium on aging would be the city of Lansing. Finally, an agreement was made that the former manpower coordinator under the manpower area planning council who had reported to the mayor of Lansing, would now become director of the Tri-County Regional Manpower Administration; the person hired by Ingham County under the planning grant would become deputy director.

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[1] The A-95 boards have general responsibility for review and comment functions relating to federally funded projects.

Once the consortium was formed, one of its first decisions was that all programs were to be distributed geographically on the basis of a three-factor formula including the number of unemployed heads of households, the number of school dropouts, and the number of persons who were economically disadvantaged. The formula led to an allocation of funding slots that increased Lansing's percentage share by approximately 6 percentage points at the expense of Eaton and Clinton Counties and the city of East Lansing, compared with an allocation of slots if a strict 1970 census population formula were used. However, it probably added to the resources available in the counties since all services were required to be offered in the outlying communities. Under the categorical programs, services were highly concentrated within the city of Lansing.

The incentive fund for consortia was also a factor in promoting the Lansing Tri-County Consortium. However, it does not appear to have been the major factor. The various political considerations previously discussed appear at this point to have been more important.

Development of the CETA Plans. The fiscal 1975 CETA Title I plan was developed by the manpower coordinator of the manpower area planning council based largely upon information in previously developed plans. This was necessary because of limited time available for the planning process between the issuance of DOL regulations and the submission date for the plans. The first draft of the plan was approved by the MAPC Technical Planning Council and a summary was published in June 1974, in the Lansing State Journal. On the same date, copies of the summary were sent to the approximately 125 persons designated at that time for the subcouncils of the Technical Planning Council. Some of the labor union representatives who had not received copies of the plan or its summary in June 1974, at a subsequent planning council meeting, questioned whether the plan had been received by the proper persons. There was apparently not a great deal of public involvement in the formulation of the plan itself, at least in part due to the pressure to push the plan through in a timely fashion. It should be noted, however, that once the funds were to be spent there were public requests for proposals by the Consortium Board and open hearings at which time the proposals were submitted to the board for funding.

The review of the 1975 plan by the Regional Office of the Manpower Administration apparently did not encounter any problems or negative comments. A few questions were raised by the federal representative but were answered over the telephone. As a result the Tri-County Consortium's plan was among the first approved in the country.

THE IMPLEMENTATION OF CETA

Organization Under CETA. The Consortium Board of elected officials has responsibility for policy decisions under CETA. The role of the board is limited, however, by the time constraints of its members. Consequently, day-to-day matters, and in many respects policy decisions, have been turned over to the Lansing Tri-County Regional Manpower Administration, a new office set up by the Tri-County Consortium as the administrative unit of the Consortium Board. The members of the staff are employees of Ingham County, which formally administers the CETA program in the tri-county area. However, in practice the staff reports to the Consortium Board rather than to the County Board of Commissioners. The only role that the county plays is as the fiscal agent for the disbursement and bookkeeping functions. All other administration aspects of CETA-funded programs, including fiscal control, are handled through the Lansing Tri-County Regional Manpower Administration. As of March 1975, that office had 12 employees, nine of whom were professionals. All of these have civil service status with Ingham County, but they were hired by the Consortium Board who now sets their salaries.

The Lansing Tri-County Regional Manpower Administration serves a number of functions. It is responsible for the preparation of plans to be submitted to the Regional Office of the MA. It is also charged with providing technical advice and services to the Consortium Board, including recommendations as to which subcontractors should be selected for CETA funding. Finally, that office is responsible for the review, supervision, and evaluation of programs operating under CETA. Detailed proposal review procedures and project monitoring forms and procedures have been established in order to make objective judgments on the merits of various proposals and subsequently to track the success of funded programs. Thus, the Lansing Tri-County Regional Manpower Administration functions basically as a management staff rather than an operating organization. In fact, the Title I recordkeeping is left to the program operators with only spot checks on their reliability.

Under CETA, planning has been carried on almost exclusively by the staff of the Lansing Tri-County Regional Manpower Administration. Prior to February 1975, there was no CETA manpower planning council. There were several reasons for the delay in appointing the council. The Consortium Board had originally desired an extremely broad-ranged group. They wanted to add more people to the approximately 110 individuals who were on the pre-CETA Technical Planning Council and all of its subcouncils. The members were divided into a planning council and six separate subcouncils--one each for clients, agencies, nonindustrial employment,

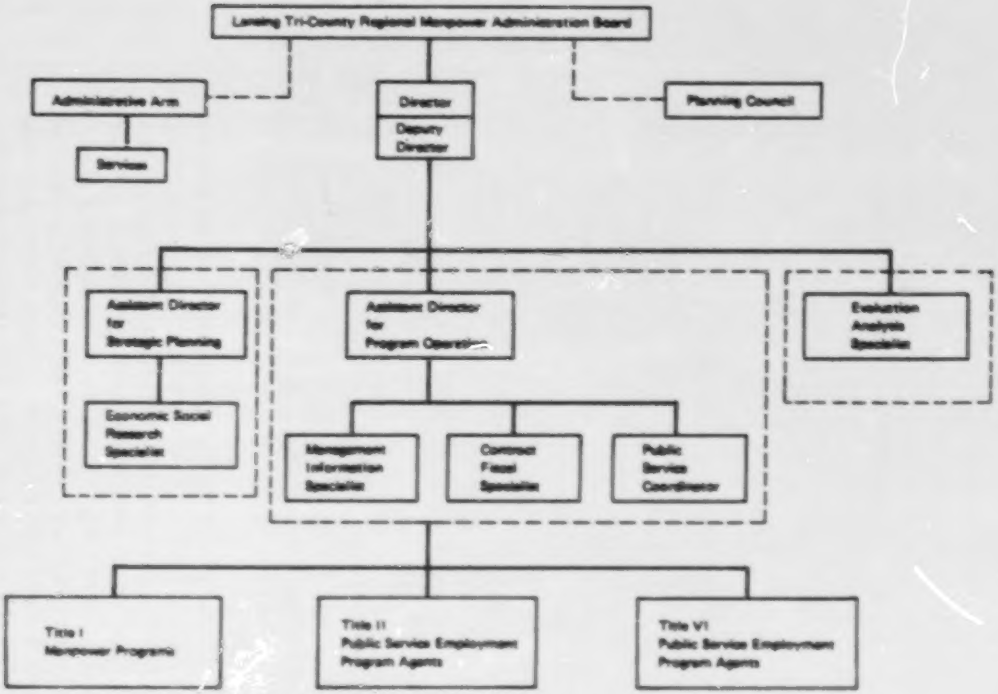
Lansing Tri-County Regional Manpower Administration Board
Administrative Arm
Services
Director
Deputy Director
Planning Council
Assistant Director for Strategic Planning
Economic Social Research Specialist
Assistant Director for Program Operations
Evaluation Analysis Specialist
Management Information Specialist
Contract Fiscal Specialist
Public Service Coordinator
Title I Manpower Programs
Title II Public Service Employment Program Agents
Title VI Public Service Employment Program Agents

FIGURE 1 Lansing Tri-County Regional Consortium Organization

industrial employment, labor, and education. The six subcouncils alone contained 124 names. Those persons were contacted by mail in August 1974, but, according to the director of the Lansing Tri-County Regional Manpower Administration, relatively few responded. Attempts to follow up the latters to seek participation were limited. It is not clear whether the reasons for this was the press of other business or the belief expressed by the director that such a large council and subcouncils might be unwieldy. However, it was not until January 1975 that the board approved council membership.

The council includes ten individuals representing clients; eight representing service delivery agencies; one representative of the Lansing Community College, serving as liaison with the Tri-County Permanent Coordinating Committee for Vocational Education; four representatives of trade unions; the National Alliance of Businessmen (NAB) metro chairman and director, serving as liaison to the NAB Business Advisory Board; the local manager of the employment service office; and four ex-officio advisors with professional expertise in the field of manpower. Approximately one-third of the members had also served on the Technical Planning Council of the manpower area planning council prior to CETA. There was no controversy over the composition of either the pre-CETA or CETA planning councils in terms of their representativeness. Although one could question the relative weights assigned to the different constituent groups on the CETA council, this has not been an issue.

The role of the CETA Planning Council was not yet clear. At its first meeting the council was briefed on the activities under CETA. It was also asked to approve the Title VI fiscal 1975 proposal prior to approval by the Consortium Board and submission to the Regional Office. The council did this, although very reluctantly, since they did not have the opportunity to read the proposal, which was still being typed on the afternoon of the meeting. In this instance, the council appeared to be merely a rubber stamp for the staff, who actually did the planning. The council did, however, schedule two meetings in March to review the fiscal 1976 Titles I and II plans prior to their submission to the Consortium Board. One of these meetings was devoted to a presentation of the plan by the staff. At the second meeting the council focused on Title II. The only motion dealing with Title I required that a labor representative be contacted if the unions had not responded within 25 days after being notified of grant applications. The Title I and Title II plans were then approved.

It should be noted that a substantial portion of the council is made up of groups who are contractors with the consortium (approximately half of the council members represent organizations who receive some funding from the consortium). Thus, their independence from the Lansing Tri-County Regional Manpower Administration is subject to question. At its meetings, the most vocal opposition group on the CETA planning council has been the representatives of the labor unions. Their complaints have centered on lack of consultation in fiscal 1975 plans. They feel also that union members should receive a larger share of public service jobs.

The Choice of Service Deliverers. Once the fiscal 1975 plan was accepted, responsibility for allocating funds rested with the Consortium Board. In establishing a model for delivery of manpower services, the Board was constrained by the early termination dates for the existing programs. They did not want these programs to be interrupted. Consequently, their first requests for proposals related to on-going activities: adult and youth work-experience and on-the-job training. At the same time the Consortium Board insisted that not all of the money be spent on existing programs, but rather that requests for proposals for pilot programs also be advertised. Approximately 15 percent of the original $1,640,000 Title I monies were set aside for those purposes. This still permitted the three existing programs to be funded at their fiscal 1974 level since CETA funding would not begin until the categorical funding ended in mid-August (1974) for the Neighborhood Youth Corps out-of-school program, mid-October for Operation Mainstream, the end of December for the OJT program, and the start of the school year in September for the NYC in-school program.

The choice of operators to be funded was made on the basis of competitive bids. Requests for proposals were issued in major categories. Proposals were then reviewed by the staff on the basis of a weighting formula that emphasized past performance, cost per client, and cost per placement. The Consortium Board also asked all of the proposers to make oral presentations, which, along with the staff recommendations, were used to award the contracts.

The staff recommended that three of the existing programs be continued with the same delivery agents: the Urban League would handle the adult work-experience program (Operation Mainstream) and the on-the-job training activity, and the Lansing school district would continue to conduct the in-school youth program (Neighborhood Youth Corps in-school). The staff suggested that the out-of-school youth program be transferred from the Capitol Area Economic Opportunity Committee to the Lansing school district or the Urban League. That recommendation was rejected by the Consortium Board, which funded all of the categorical programs and operators at the same dollar amount per month of operation in 1975 as in 1974. It should be noted, however, that there was a difference in the total funding levels for the fiscal year since some of the programs were funded for shorter periods of time.

The reduced dollar funding for existing programs allowed the Consortium Board to set aside funds for pilot projects from the original allotment for fiscal 1975. Subsequently the consortium has received additional Title I funds. According to figures provided in March 1975 by the Tri-County Regional Manpower Administration, the base grant had been increased from $1,641,520 to $1,979,817. In addition, the consortium received $192,246 of re-obligated funds, $197,982 as the 10 percent consortium bonus, and $110,301 from the governor's vocational education funds. This meant the total of funds available for Title I was $2,480,346 at that time.[2]

The amount reserved for pilot programs plus the additional funds received in the area has been used primarily for new program areas. Additional slots have also been made available in the existing programs, with the exception of the on-the-job training program whose allocation has been reduced primarily because relatively few employers would provide OJT slots during the recessionary period. New programs that have been funded include New Way In, an ex-offender group that has received $37,861 and the Senior Citizen's Consortium, which has received $77,286 (see Figure 2). Both of these are adult work-experience programs, as is the program called Friend of the Court, which has received $48,414 to aid persons behind in their support payments. Additional services are being provided by the two Mexican-American groups: United Migrant Opportunities, Inc. and Sol de Atzlan, which received $17,727 to increase outreach in the Mexican-American community, and the Lansing Indian Center, which was to receive $9,704 for outreach services to American Indians. Other agencies that were to receive funding are the employment service, to coordinate the job development system for the Lansing area at a budget of $40,451, and the Vocational Rehabilitation Service, which was to be funded at a level of $100,000 to aid the handicapped. Although classroom training funding had not been completed as of March 1975, a $57,170 contract has been signed with the Community Design Center, a former Model Cities agency for training in drafting and related occupations. In addition, another $379,983 has been set aside for contracts with existing vocational education programs, an upgrading project partially run by the painters' union, and a voucher system for individual referrals to training programs.

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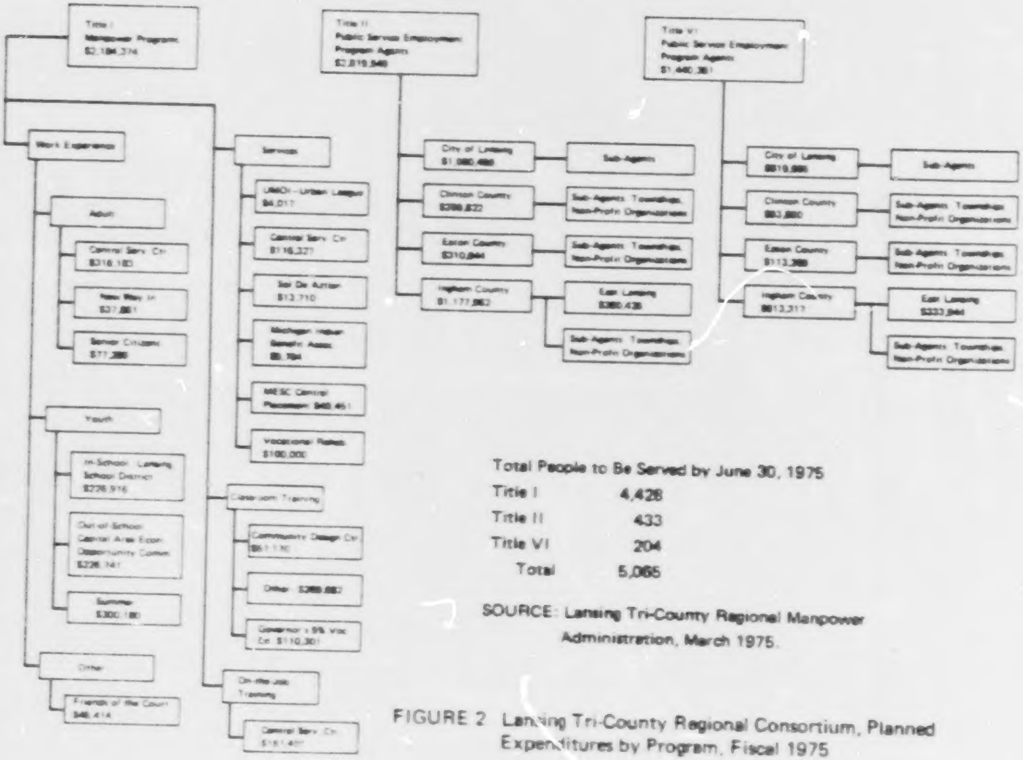
[2] Total for Title I on Figure 2 does not reflect the latest increases.

It should be noted that many of the newly funded programs had been operating in the past although under other funding than that by DOL. However, overall it would appear that there is an increase in attempts to involve certain target groups in manpower programs, particularly the Mexican-American and American Indian minorities, the ex-offender, and senior citizens. Such changes have come about because of the perceptions of the local consortium board members and the Lansing Tri-County Regional Manpower Administration staff that these target


Title I
Manpower Programs
$2,184,374
Title II
Public Service Employment
Program Agents
$2,819,540
Title VI
Public Service Employment
Program Agents
$1,440,381
Work Experience
Adult
Central Serv. Ctr.
$318,183
New Way In
$37,851
Senior Citizens
$77,288
Youth
In-School: Lansing
School District
$226,916
Out-of-School:
Capital Area Econ.
Opportunity Comm.
$226,741
Summer
$300,180
Other
Friends of the Court
$46,414
Services
UMOI – Urban League
$4,017
Central Serv. Ctr.
$116,327
Sol De Action
$13,710
Michigan Indian
Benefit Assoc.
$8,784
MESC Central
Placement $40,451
Vocational Rehab.
$100,000
Classroom Training
Community Design Ctr.
$61,110
Other: $269,882
Governor's 5% Voc.
Ed. $110,301
On-the-Job
Training
Central Serv. Ctr.
$181,407
City of Lansing
$1,080,480
Clinton County
$288,822
Eaton County
$310,844
Ingham County
$1,177,882
Sub-Agents
Sub-Agents: Townships,
Non-Profit Organizations
East Lansing
$380,435
City of Lansing
$819,886
Clinton County
$93,880
Eaton County
$113,288
Ingham County
$813,317
East Lansing
$333,944

Total People to Be Served by June 30, 1975

Title I	4,428
Title II	433
Title VI	204
Total	5,065

SOURCE: Lansing Tri-County Regional Manpower Administration, March 1975.

FIGURE 2 Lansing Tri-County Regional Consortium, Planned Expenditures by Program, Fiscal 1975

groups were in need, but had not previously been reached. The changes also reflect in part the political base of some of the politicians who were involved on the consortium board.

One area in which the change in program organization under CETA has led to problems for some of the service deliverers is the requirement for geographic distribution of slots according to formula. Some of the service deliverers felt that this changed the composition of their clientele and led them to serve less severely disadvantaged clients. Some programs, such as the Neighborhood Youth Corps out-of-school program, had been concentrated in the poverty neighborhoods of Lansing. There was some feeling that the youth in East Lansing were not as needy and yet there was a requirement that they receive 10 percent of the slots because of the CETA requirement for distribution of services throughout the tri-county area. Similar statements were made about the in-school work-experience program.

In conclusion, under CETA the organization of manpower programs has continued to be programmatic. Although there have been attempts to integrate some of the activities, in particular the job development function, there has also been an attempt to have a more uniform distribution of services in the tri-county region than had existed prior to CETA. This has had some impact on program service delivery. However, overall there seems to be general satisfaction with the system as it exists. At the present time, it would appear that most institutions in the community have fared well under CETA.

CETA SERVICE DELIVERY

CETA and the Employment Service. The impact of CETA on the local office of the Michigan Employment Security Commission has not been particularly great. The local manager of the office had been a member of the Technical Planning Council of the manpower area planning council and now serves as vice-chairman of the CETA planning council. The ES as presumptive deliverer of services for MDTA institutional training had been responsible for indicating the occupations for which there was a need for training, developing proposals, certifying applicants for training, paying allowances, and subsequent placement after the completion of training. The office also had been involved in Emergency Employment Act (EEA) certification.

Under CETA the employment service as of the spring of 1975 had not had any role in institutional training, since the final arrangements for institutional training had not yet been completed at that time. Thus, the office manager estimated that approximately one-quarter of a staff position that has previously been devoted to MDTA training was lost. However, a number of new demands on the ES offsets this loss under Title I. The considerable increase in unemployment in the area has greatly increased the use of the ES facilities by job applicants. The ES has also been made the certifying agent for Title II and Title VI of CETA, giving it an increased workload. Finally, under CETA, the ES was to be given a contract to coordinate job development efforts in the community. They have been allotted three-and-one-half positions under the contract for job developers who will be assigned to them. Thus, overall, the ES is receiving more funds under CETA than it did under the categorical programs.

CETA and Vocational Education. As of the end of March 1975, arrangements for institutional vocational training had not yet been finalized in the Lansing Tri-County area. This was in large part due to the delay in the release of the governor's 5-percent vocational education funds. There was also less urgency to deal with institutional training since MDTA courses continued until December 1974. According to the March 1975 estimates, $437,153 was to be devoted to classroom training in fiscal 1975. The director of the Tri-County Regional Manpower Administration planned to disburse these funds to the Lansing Community College for data processing and clerical courses, to the Lansing school district for general educational development (GED), and to the painters' union for skill upgrading. A voucher system would also be included for individuals seeking specialized skill training.

The vocational training under CETA appears to be more white-collar oriented than MDTA institutional training had been. In addition to clerical skills, MDTA also provided training for welders, household appliance repair servicers, and auto mechanics. However, the CETA training is being provided by the same institutions as provided it prior to CETA, with the exception of the painters' union, and may reflect changes in the labor market more than any changes that may have occurred due to the new legislation. Overall, because of the delay in beginning the classroom training, it is too early to make any judgments on the effect of CETA on vocational training in the area.

CETA and Community-Based Organizations. Two community-based organizations, the Urban League and the Capital Area Economic Opportunity Committee, operated manpower programs in the Lansing tri-county area prior to CETA. The program activities they provided have been discussed earlier. The two organizations were also involved in the Technical Planning Council of the manpower area planning council and have representatives on the CETA Planning Council. In the past the two agencies have to some extent been competitors. Both concentrate on serving the disadvantaged and are located within two blocks of each other. The Operation Mainstream program, formerly run by the Capital Area Economic Opportunity Committee, was transferred in fiscal 1974 to the Urban League on the recommendation of the manpower coordinator of the MAPC. Finally, both agencies bid for the out-of-school youth program under CETA. As noted earlier, the Capital Area Economic Opportunity Committee ultimately was designated as the service delivery agency for this program. Based on conversations with the program managers for the two agencies, however, competition has been reduced by CETA.

Under CETA many additional community-based organizations have received manpower funding. Almost all of the agencies are represented on the CETA planning council along with representatives of veterans, the NAACP, the health board, and the social services departments for the three counties. Since almost all are receiving CETA funds, there have been no public protests or litigation against the Consortium Board or the Lansing Tri-County Regional Manpower Administration by the CBOs or client groups. Such harmony might not continue, however, if funds become less available.

There appears to be relatively little change in the roles played by the community-based organizations as service deliverers. They still manage their own staff and are designing and operating their own programs. Some said that the only change in institutional relationships is that their reporting forms under CETA go to a Lansing address. They felt that the federal guidelines have not become more flexible with the introduction of CETA. Furthermore, some organizations stated they felt they lacked the opportunity to innovate, which they thought would exist with decentralization. Several stated that the guidelines narrowed their options in terms of clients, services, payments, and general operation and that, in fact, they were operating categorical programs under CETA except that the geographic area had been expanded. In the case of those agencies operating programs formerly administered by the Office of Economic Opportunity, the client group had also been expanded.

Regarding the constituencies of the community-based organizations, it would appear that the distribution of funds has been broadened so that all political groups have been kept happy. The only real confrontation came with the recommendation not to fund the community-action agency's out-of-school youth work-experience program. In this situation, there were enough members of the Consortium Board who had had prior relationships with the agency so that it was able to gain political support. If the categorical programs had still existed and the decisions were being made in the Regional Office of DOL, the program might have been shifted away from the community action agency.

Three conclusions with respect to the impact of CETA seem warranted: (a) decision making has been transferred to the local level; (b) there seems to be greater use of local community-based organizations; and (c) manpower funds are more widely spread throughout the community.

IMPACT OF CETA ON CLIENTS SERVED

The Clients. Approximately 2,729 persons were provided with Title I services by CETA through March 31, 1975.[3] (There was some double counting of clients receiving services in more than one activity.) A total of 849 clients were served in work-experience programs, 61 in on-the-job training programs, 18 in classroom training, and 1,801 received other, primarily direct placement, services. These and other statistics are listed in Table 3.

Among these clients, 29 percent were black, 12.5 percent were clients of Spanish origin, and 2 percent were American Indians. Other significant groups were ex-offenders (15 percent); youth between the ages of 16 and 21 (45 percent); economically disadvantaged (64 percent); public assistance recipients (32 percent); and female family heads (13 percent). Participation rates of these target groups in Title I programs far exceeded their proportion of the general population in the area. Unfortunately, similar breakdowns were not available for fiscal 1974 when [illegible] 783 clients were served by similar programs during the entire year. The director of the Lansing Tri-County Regional Manpower Administration, however, felt that the 1975 plan represented increased emphasis on Mexican-Americans, American Indians, and ex-offenders over the previous year and that about double the number of clients would be served in fiscal 1975 as compared with fiscal 1974.

It would appear that although a large number of slots are set aside for the disadvantaged, increasingly the clients of manpower programs would not normally be considered disadvantaged. The unemployment rate in the area for the first quarter rose from 4.7 percent in 1973 to 8.0 percent in 1974, and to 12.2 percent in 1975. Consequently, there are many individuals now participating in manpower programs who, under more normal labor market conditions, would be employed. The situation was expected to become even more acute as the automobile workers who had been receiving supplemental unemployment benefits (SUB) ran out of funds. These individuals are considered long-term unemployed who have exhausted their unemployment insurance benefits and therefore may go to the head of the queue for Title VI jobs. They are also attractive candidates for institutional training and other manpower programs seeking to improve their evaluation records. These individuals are likely to be the first hired when the recession is over and, consequently, will improve the placement records of the programs that enroll them. Two of the community-based organizations currently running manpower programs have stated that their philosophy is to give priority to the disadvantaged. However, as the laid-off auto workers increasingly seek manpower services, they are likely to force changes in these policies. Moreover, programs that serve primarily the disadvantaged are likely to show poorer outcome results relative to other programs. Also the union representatives on the Manpower Planning Council have indicated that their membership is increasingly interested in access to manpower programs, particularly public service employment.

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[3] As of June 30, 1975 the cumulative number enrolled had increased to 4,929.

The Flow of Clients. CETA has led to few major differences in the flow and processing of clients through the manpower system. Most programs have their own intake facilities. Exceptions are the on-the-job training and adult work-experience programs, both of which use the Urban League's Career Opportunity Center's intake facilities, and classroom training, which receives referrals from other agencies. Also, under CETA, several community groups in the Mexican-American community and the American Indian community have been tied into the Urban League as outreach arms that had not previously existed. Each of the programs also has its own placement facilities and job developers, although under a contract with the employment service, that agency is to coordinate the efforts of the job developers. Hopefully this will lead to less duplication. In summation, then, each of the programs essentially takes its clients through assessment, work-experience and/or training, and placement stages, although the training component is to be provided by a separate agency once the training

TABLE 3 Lansing Tri-County Regional Consortium, Characteristics of Participants by Program Activity, Title I, July 1974–March 1975

Characteristics	Work Experience		Services		Classroom Training		On-the-Job Training		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
All CETA Clients	849	100	1,801	100	18	100	61	100	2,729	100
Place of Residence										
Lansing	412	49	1,250	69	12	66	[illegible]	53	1,706	62
East Lansing	77	9	141	8	2	11	10	16	230	8
Ingham County	158	19	158	9	1	6	6	10	323	12
Eaton County	121	13	172	10	2	11	7	11	302	11
Clinton County	81	10	80	4	1	6	6	10	168	7
Sex										
Male	456	54	1,188	66	14	48	38	62	1,695	62
Female	393	46	613	34	4	22	23	38	1,033	38
Age										
18 and Under	564	66	123	7	4	22	4	7	695	25
19–21	50	6	442	25	7	39	16	26	515	20
22–44	154	19	1,090	61	7	39	36	59	1,287	47
45–54	17	2	75	4	0	0	4	7	96	3
55–64	37	4	43	3	0	0	1	2	81	3
65 and Over	27	3	28	2	0	0	0	0	55	2
Education										
8 and Under	160	19	149	9	1	6	6	10	316	12
9–11	562	66	493	27	6	33	10	16	1,071	39
H.S. Grad. or Equiv.	87	10	721	40	0	0	31	51	839	31
Post High School	40	5	438	24	11	61	14	23	503	18
Family Income										
AFDC	294	35	264	15	1	6	7	12	567	21
Other P. A.	149	18	136	8	3	17	1	2	289	11
Econ. Disadvantaged	809	95	891	50	11	61	31	51	1,743	64

Ethnic Group										
White	473	56	972	54	9	50	41	67	1,495	55
Black	227	27	554	31	8	44	14	23	803	29
Oriental or Asian	4	1	9	1	0	0	0	0	13	0.5
American Indian	9	1	38	2	0	0	0	0	67	2
Alaskan Native	0	0	0	0	0	0	0	6	0	0
Other	8	1	28	2	0	0	0	0	36	1
Spanish American	128	15	200	11	1	6	6	10	335	12.5
Ltd. English Spkg. Abl.	25	3	14	1	1	6	0	0	40	1
Migrant/Seasonal Member	11	1	47	3	0	0	0	0	58	2
Veterans										
Spec. Vietnam Era	17	2	92	5	2	11	12	20	176	4
Other	7	1	95	5	1	6	0	0	103	4
Handicapped	28	3	137	8	0	0	3	5	168	6
Full-Time Student	476	56	48	3	0	0	0	0	524	19
Corr. Institution	101	12	309	17	0	0	0	0	410	15
Labor Force Status										
Employed	1	0	30	2	0	0	4	10	37	2
Underemployed	18	2	117	8	6	35	8	13	149	5
Unemployed	352	42	1,584	88	12	67	46	75	1,994	73
Not in Labor Force	478	56	70	4	0	0	1	2	549	20
Receiving Unempl. Ins.	13	2	133	7	0	0	2	3	148	5
Hourly Wage										
Less than $1.00	521	61	294	16	2	11	4	7	821	30
$1.00-$1.99	124	15	203	11	3	17	28	46	358	13
$2.00-$2.99	140	17	568	32	9	50	18	30	735	27
$3.00-$3.99	37	4	304	17	2	11	6	10	349	13
$4.00-$4.99	18	2	202	11	2	11	3	5	225	8
$5.00-$5.99	5	1	154	9	0	0	2	3	161	6
$6.00–or more	4	1	76	4	0	0	0	0	80	3
School Dropout	137	16	649	36	3	17	16	26	805	30
Female Family Head	29	3	313	17	0	0	12	20	354	13
Former Manpower Enrollee	23	2	22	1	0	0	1	2	46	2
Energy Shortage Unempl.	5	1	45	2	2	11	0	0	52	2

SOURCE: Lansing Tri-County Regional Manpower Administration contracts are signed. Program operators, however, express the opinion that under CETA there is a greater opportunity to learn what the other programs are doing and that better information will lead to more integration of programs. The feeling among the program operators is that there is more cooperation and less competition under CETA than had existed prior to the new legislation.

In conclusion, there seems to be a change in both the number and type of clients served. The numbers have increased primarily due to additional funding and to the changes in the labor market. The type of client has changed because there have been increased efforts to involve the disadvantaged through outreach. On the other hand, labor market changes have led to a less disadvantaged client in manpower programs. In addition, there have been changes in the regulations so that the disadvantaged are no longer given substantial priority in manpower programs and, in many respects, any unemployed or underemployed person has an equal chance for service.

CONCLUSIONS

The foremost conclusion that the author has reached in reviewing the implementation of CETA programs in the Lansing tri-county area is that, overall, the implementation of CETA has worked very well. Decision making has been assumed by the local elected officials, many more programs are operating under manpower funding, larger numbers of target group clients in a wider geographic area are being provided with services, and the administrative process is proceeding smoothly. Decentralization has apparently not decreased the efficiency of manpower program delivery in the area and, in some respects efficiency may have been increased.

The reasons for the success of decentralization in the Lansing tri-county area appear to be the competency of the director of the Lansing Tri-County Regional Manpower Administration, the staff working with him, and the relative freedom from interference with which they are able to operate. The Lansing Tri-County Regional Manpower Administration has been technically competent enough to put together a plan that was acceptable to the Regional Office without modification. It has been fortunate enough to have elected officials agree on a set of weights for judging proposals, a circumstance that tends to take the proposal evaluation process out of the political arena. It has succeeded in distributing the funds among the existing programs in a timely fashion so that the major programs did not have a hiatus, and it has been able to distribute funds among agencies that formerly were not funded by DOL. The prime sponsor has established a management information system and an evaluation system that are sufficiently impressive to be used as models by the Regional Office.

In accomplishing these objectives the Lansing Tri-County Regional Manpower Administration has been greatly aided by a board of elected officials who have generally been cooperative and supportive; whose actions have been rational; and who, for the most part, are sincerely interested in aiding the unemployed and underemployed. The Lansing Tri-County Regional Manpower Administration has also been fortunate to have a basic group of program operators who are experienced and relatively competent to operate the programs without a great deal of supervision or instruction. Added to these factors has been the additional funding for manpower programs flowing into the area, which has allowed all of the old programs and many new programs to be funded; thus, large segments of the community have been co-opted.

Although the Lansing Tri-County Regional Manpower Consortium appears to embody most of the objectives that were envisioned in the CETA legislation, it is not faultless. The planning process in particular was weak for fiscal 1975. A planning document sufficiently detailed and correct to meet federal standards was submitted, but there was relatively little planning in the sense of defining the client population and their needs, setting long-range objectives for the manpower programs, and examining different modes for achieving these objectives. This was partly due to the timing problem. However, the lack of a CETA planning council until the eighth month of the fiscal year probably could be attributed to the desire of the Lansing Tri-County Regional Manpower Administration to get on to program operations and to avoid interference from "outsiders."

There are also a variety of possible problems that may occur in the future. The Lansing Tri-County Regional Manpower Consortium has been very successful in implementing its programs, i.e., in getting them funded and operating. Whether the programs will be effective in serving the needs of clients is something that must await future evaluation. In addition, as indicated earlier, much of the harmony that has been achieved has been due to the relatively nonpolitical behavior of the elected officials and to the cooperation being provided by the program operators in the area. That in part comes from the general availability of funds. If funding is lowered in the future or if an attempt is made to redistribute the funds to fewer agencies, there may be considerably more political infighting. In addition, there has already been a one-fourth turnover among the elected officials on the Consortium Board. As new officials come to the board, the relative harmony that exists and the willingness to go along with the staff professionals may cease. The personalities and style of the politicians are important determinants of the success or failure of CETA. Finally, to date there has been relatively little innovation in program operations under CETA. Programs are still being operated as they were under categorical funding. Whereas new programs that formerly were not under the DOL umbrella are now receiving CETA funds, they, too, for the most part represent existing programs designed for special groups of clients. Integration of program activities and centralization of service delivery may come in the future.

In conclusion, it would appear that the Lansing Tri-County Regional Manpower Consortium has been very successful in its first nine months of operation. Its future success may be more of a challenge.

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Raleigh Consortium, North Carolina

Robert M. Fearn*

RALEIGH MANPOWER PROGRAMS BEFORE CETA

The Early Planning Structure. Manpower planning in Raleigh, North Carolina has been an annual exercise since 1968. Under the Cooperative Area Manpower Planning System (CAMPS), Raleigh was initially part of a four-county manpower planning area, and later became a member of a six-county Manpower Area Planning Council (MAPC). The changes in planning areas were initiated by state or federal action and involved a shift, if not in power, at least in the influence of the various organizations and groups involved in the planning process.

In fiscal 1970, the manpower program allocations in the Cooperative Area Manpower Planning System area ranged from $1.2 to $1.4 million and included the Work Incentive Program (WIN), the Manpower Development and Training Act (MDTA) programs, several neighborhood programs funded under the Economic Opportunity Act (EOA), a Housing and Urban Development Department-funded activity, and a vocational rehabilitation program. The CAMPS area was changed in May 1970 to be consistent with the state's multi-county planning regions. For fiscal 1973 and fiscal 1974, the CAMPS plans primarily recommended division of available funds among existing programs. However, some changes in programs and planning procedures were initiated, often by the community-action agencies (CAAs), which had strong representation on the Manpower Area Planning Council.

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The earlier years of the Manpower Area Planning Council were often characterized by attempts by community-action agencies to make program transfers in a "CAA-versus-the-establishment" environment. By the time of the fiscal 1974 planning cycle, however, the MAPC had established a commitment to a comprehensive review and evaluation of all projects recommended for funding in that year. Each program agency was expected to submit quarterly activity reports to the secretariat of the MAPC. Subcommittees of the council were established through which the council began to control the review and evaluation process. The MAPC staff funding level of approximately $43,000 provided for three positions and related expenses.

Raleigh and Durham Labor Market Areas. Under the Manpower Area Planning Council structure, the "research triangle communities" of Raleigh, Durham, and Chapel Hill were within a single manpower planning area, but in separately designated labor market areas. The growth of employment at the Research Triangle Park, a research complex associated with the area's three major universities, prompted the U.S. Department of Labor (DOL) and the Bureau of the Census to designate Raleigh-Durham as a single labor market area in 1974. The new designation was based on commuting patterns illustrating a heavy movement of workers from Raleigh, Durham, and Chapel Hill to jobs in the Research Triangle Park.

The designation of the labor market area based on the commuting patterns of skilled technicians and professionals employed in the Research Triangle Park is not necessarily consistent with the labor market dimensions for a manpower system that is oriented primarily to low-income and unskilled workers. Because the Research Triangle Park offers few opportunities for low-skilled workers, because it is located in a rural area between the cities, and because public transportation does not extend to the research park, low-income and unskilled workers are primarily employed within their respective cities.

When the labor market question is viewed from another perspective--that of analyzing the sources of unemployment change in Durham and Raleigh--recent studies suggest that the sources of change in unemployment differ in the two communities.[1] Although the aforementioned differences in labor market structures exist for the Raleigh-Durham area, the differences do not appear to have been among the primary reasons why cooperation between the two communities did not become a lasting reality under CETA. Political considerations appear to be the dominant factor leading to a lack of cooperation between Raleigh and Durham. Other factors were the desire of Durham to be a separate prime sponsor and differences of opinion over the selection of delivery agencies.

THE TRANSITION TO CETA

The transition to CETA was particularly difficult for the Raleigh Consortium for various reasons--political, organizational, personal, and administrative. As noted elsewhere in this study, many of the difficulties centered around the role of service deliverers in the Raleigh/Wake County portion of the consortium.

Under CETA guidelines, the city of Raleigh, Wake County, and Durham County were eligible initially to become prime sponsors. In fiscal 1975, the Raleigh Consortium was formed including the city of Raleigh and the counties of Wake, Chatham, Lee, and Johnston. The Durham Consortium included Orange and Durham Counties. At the beginning of fiscal 1976, the balance of Wake County, excluding Raleigh, withdrew from the Raleigh Consortium and formed the Wake County prime sponsor area.

[1] See Robert M. Fearn, "Cyclical, Seasonal, and Structural Factors in Area Unemployment," Industrial and Labor Relations Review, Vol. 28, No. 3 (April 1975), pp. 424-431, or Robert M. Fearn, Human Capital Determinants of Structural Unemployment, unpublished manuscript prepared for the U.S. Department of Commerce, 1973.

Preliminary Plans and Activities. Key members of the city of Raleigh's manpower staff, the intergovernmental coordinator and the manpower coordinator, envisioned CETA as a vehicle for introducing a coordinated manpower system in Raleigh and Wake County. The initial plan was to locate the manpower functions of intake through follow-up and the allowance payments system in the consortium manpower office and then contract for other services with the Employment Security Commission (ES), the Wake Technical Institute, Wake County Opportunities, Inc., and other service deliverers as needed. The goal of the Raleigh manpower staff was to eliminate duplications in adult basic education programs offered by both Wake County Opportunities and Wake Technical Institute and to eliminate the duplication of job development services by Wake Technical Institute and the ES.

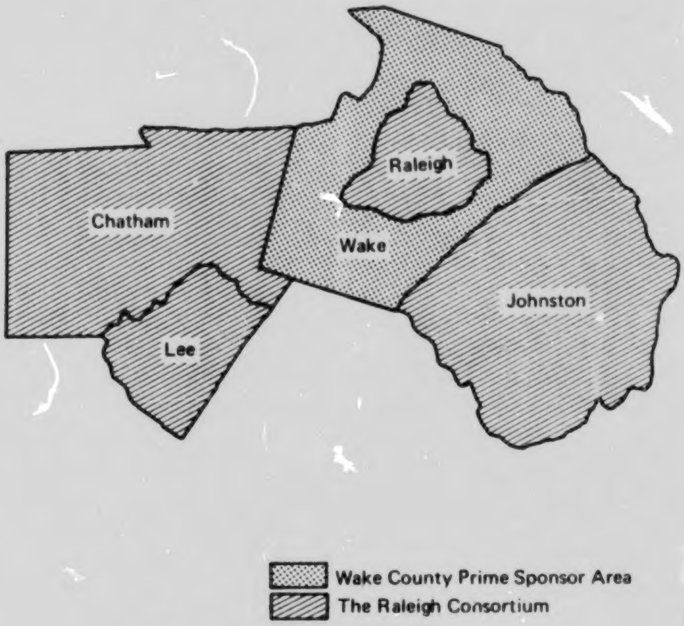

FIGURE 1 The Raleigh Consortium and the Wake County Prime Sponsor Area—Effective July 1975

The preliminary plan, however, was not implemented, primarily because of political considerations and the desire of service deliverers for an alternative arrangement that would give operational controls to subcontractors.

Development of the Initial Title I Plan Under the Raleigh Consortium. The outlying counties of Chatham, Lee, and Johnston were interested primarily in maintaining their pre-CETA programs in a CETA structure that would provide them with considerable autonomy for their respective areas. Within the Raleigh/Wake County portion of the proposed consortium there were several factors complicating the planning process. First, Wake County Opportunities, Inc., the agency that sponsored the Neighborhood Youth Corps (NYC) and New Careers program--an organization with considerable manpower and social program experience--initially was not consulted in the planning process. Other agencies, including the Raleigh employment service and the Wake Technical Institute, were involved in developing program plans from the beginning. Whatever the reasons for the initial exclusion of Wake Opportunities from planning, the development undoubtedly laid the groundwork for subsequent problems.

A second factor that complicated the preparation of a viable planning and delivery system was the difference in perspective of various key figures regarding the framework of a centralized delivery system. Primary differences of opinion existed between the two intergovernmental coordinators from the city of Raleigh and Wake County. Wake County was concerned with the maintenance of the training facility it considered its own--Wake Technical Institute. Representatives of the employment service were interested in maximizing their own agency's participation in CETA. Therefore, perhaps in varying degrees, three key agencies--the ES, Wake County Opportunities, Inc., and the Wake Technical Institute--envisioned the potential emergence of a centralized delivery system as a threat to their existing and future programs.

Given these difficulties and with pressure from various service deliverers, the mayor of Raleigh and the chairman of the Wake County Board of Commissioners met to develop a delivery system for the Raleigh/Wake County area that would utilize the specialized attributes of all potential service deliverers. The result of this effort was a three-component delivery system. Wake County Opportunities, Inc. was selected as the deliverer for youth employment programs and for such manpower services as outreach, preliminary screening, and counseling for all CETA applicants. Training was to be the responsibility of the Wake Technical Institute. The employment service was made responsible for placement and for the allowance payments system. This structuring of the program was an attempt to work out the inherent racial differences among service deliverers between the predominantly black Wake Opportunities and the historically white Wake Technical Institute.

Comments on the Planning Process. According to interviews in the area, it appears clear that the political leadership in both Raleigh and Wake County initially recognized a need for cooperation between the two eligible prime sponsors. Apparently, representatives of both units of government initially recognized the benefits from utilizing available training resources without duplication, of demonstrating city-county cooperation, and of using the existing staff of the Raleigh manpower office. The other parties to the consortium--Lee, Chatham, and Johnston Counties--believed that they would have a greater role in decision making and planning within the Raleigh Consortium than would be possible if they were part of the balance-of-state system (the other alternative available to them). The political leaders were also much more interested in CETA because of the controls accruing from decentralization than they had been with the pre-CETA programs in which control was vested in the Regional Office of the Manpower Administration.

However, the development of a viable manpower system was constrained by limited planning expertise and less-than-optimal planning procedures. Both the pre-CETA and CETA planning efforts could be characterized as pro forma, rather than analytical, exercises. Given the locus of decision making prior to CETA with

TABLE 1. Raleigh, North Carolina, Members of Manpower Planning Councils Prior to CETA (MAPC) and Under CETA

Type of Agency, Organization, or Group	Pre-CETA MAPC[a]	CETA Council
Total	19	21
Employment Security Agency	1	2
Vocational Education or other public education agency	3	7[b]
Other local public officials	6[c]	6[d]
Business or industry	0	1
Labor	0	1
Community-based organizations operating manpower programs	3[e]	2[f]
Client group representatives	3[g]	1[h]
Other members	3[i]	1

[a] Excludes Orange and Durham County representatives.

[b] NYC directors, public school officials, and an Extension Community Development Specialist, North Carolina State University.

[c] Includes Raleigh's mayor as chairman, and an official of the Raleigh Youth Council.

[d] Includes Raleigh's mayor as chairman, and two County Commissioners (Lee and Chatham Counties).

[e] Sandhills CAA, Johnston CAA, and Wake Opportunities.

[f] Both from Wake Opportunities.

[g] Sandhills CAA and representatives of the black community in Raleigh and Johnston County.

[h] A client representative from Shaw University.

[i] Two representatives of private employment and training agencies and one from the Agricultural Extension Service.

the Regional Office and the composition of the Manpower Area Planning Council (see Table 1), it is hardly surprising that planning actually concentrated on program continuation. Under CETA the situation has not changed appreciably in the first year; minimal attention has been given to comprehensive planning. For example, the Title I plan was tied closely to the role of various program deliverers in each subarea of the consortium until the early part of the 1975 calendar year.

The initial Title I plan was very conservative, largely continuing existing categorical programs in Chatham, Lee, and Johnston Counties. The plan narrowed planned program activities in the Raleigh/Wake County area to what might be termed the lowest common denominator of agreement--a training program based largely on individual referral.

INITIAL OPERATION UNDER THE CONSORTIUM

Program Decision Making and Admimistrative Procedures. A political clearance and subcontracting system emerged within the Raleigh Consortium through which key political figures or their designees in each of the government units were consulted on problems and subcontracts. The system encompassed both a continuation of the role of the city of Raleigh manpower office as a coordinating agency and the development of a new role for it as the general administrator of a set of subcontracted programs. Fiscal controls were lodged under the finance director of the city of Raleigh. A central administrative system thus emerged under tight limits imposed by political considerations.

Decision making was and is essentially political. The structure of the Title I plan as well as the appointments to the Manpower Planning Advisory Council for all areas of the consortium reflected the relative strengths of the various subcontractors. This finding does not suggest that, in the development of the initial consortium, the mayor of Raleigh and the chairman of the Wake County Commissioners did not seek a reasoned approach to manpower programs in the various subareas of the consortium. However, it does mean that categorical programs were either continued or changes were made without an overall analytical framework, without formal program evaluations, and within an essentially political milieu.

Administrative Organization of the Consortium. Prior to CETA, the Raleigh manpower office was directly responsible to the mayor and was organizationally separate from the normal operations of city government. With the advent of CETA, the manpower office was placed under the jurisdiction of the city of Raleigh coordinator for intergovernmental relations. This arrangement was obviously intended to fit the CETA program (which by federal law assumes a strong mayor or elected executive) into the council-manager form of government in which the mayor serves, by state law, as chairman of the legislative branch of city government. Under the CETA structure, the manpower coordinator reported both to the mayor and to the city manager through the coordinator for intergovernmental affairs. The manpower office staff during fiscal 1975 included three professionals and two clerical employees. Three additional employees were assigned to the manpower finance office under the supervision of Raleigh's finance director. Financial decisions must have the approval of the Raleigh City Council and the county commissioners in the respective counties. The initial administrative structure for the Raleigh Consortium is shown in Figure 2. The organizational structure for CETA in fiscal 1976 was altered somewhat by the Raleigh City Council's creation of a department of human resources.

During fiscal 1975, the Raleigh manpower organization encountered two problems: the normalization of its role within the city structure and the establishment of adequate fiscal procedures for the CETA program. The first problem was alleviated by the administrative changes discussed above and by the creation of a department of human resources in Raleigh. The department is now responsible to the Raleigh city manager and the city council rather than to the mayor. The problem of initially weak fiscal controls was met by the establishment of a separate fiscal unit in Raleigh's finance department. The new unit has the responsibility for all fiscal matters relating to the CETA consortium.

The establishment of a new city department of human resources represents a very basic change in governmental activities. In the South generally and throughout North Carolina in particular, city governments have concentrated on hardware and land questions--streets and roads, water and sewerage, garbage, zoning, etc. Human and social programs concerned primarily with people have usually been administered by county and state governments. This innovation in the role of city governments and the intensification of county government involvement in manpower programs may be one of the more significant effects of the CETA programs in this region of the nation.

Role of the Regional Office of the Manpower Administration. The changed role of the Regional Office of the Manpower Administration under CETA constituted another

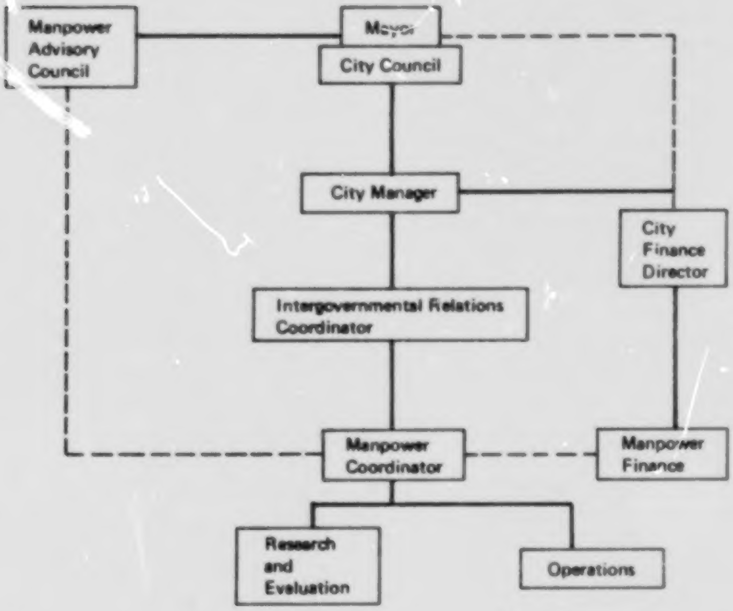
Manpower Advisory Council
Mayor
City Council
City Manager
City Finance Director
Intergovernmental Relations Coordinator
Manpower Coordinator
Manpower Finance
Research and Evaluation
Operations

FIGURE 2 Raleigh Consortium Administrative Structure

source of difficulty for the Raleigh Consortium during the initial stages of development and implementation. Prior to CETA and through the Regional Office's contract system, representatives of the Regional Office played an integral part in the review and approval of programs, in funding decisions, and in specifying the types of programs and target groups to be served. The selection of delivery agencies was then heavily influenced by the Regional Office. During the pre-CETA period, the Regional Office had close contacts with the community-based organizations (CBOs) in the area, particularly with Wake County Opportunities.

The role of the Regional Office under CETA is quite different, although the altered role took shape slowly and with considerable frustration among all parties. Raleigh Consortium representatives viewed the CETA "grant" arrangement as one that would incorporate in principle Regional Office approval of a plan, but would allow local decision making on all points not specifically required by the CETA act or regulations. By contrast, at least some Regional Office staff members initially tried to adhere to the old mode of approving plans, including the smallest details of the procedures of a formal contracting system. The insistence of the first federal representative that a centralized delivery system be developed created additional concerns on the part of some Raleigh manpower officials.

Key decisions on program mix and delivery agents under the Title I plan were made by the prime sponsor, although the Regional Office did exert some influence in the development of the initial plan. The Regional Office's involvement and pressure led to precise specification of target populations and to wider representation on the CETA planning council; representatives from community-based organizations and the business community were added to the council.

Because of the limited time available for planning and implementing the delivery system under the Raleigh Consortium, the problems were accentuated. Clearly, time pressures tended to affect adversely the administrative direction of the program. The structure was also affected by the extent of knowledge and concern with manpower programs among political decision makers, and the pressure and political maneuvering of strong personalities bent upon preserving or expanding the role of their agencies.

THE IMPACT OF CETA ON SERVICE DELIVERY AGENCIES

Community-Based Organizations. The local community-based organization did not fare well under CETA compared to its pre-CETA prominence. Prior to CETA, Wake County Opportunities administered a New Careers program and the Neighborhood Youth Corps in-school and out-of-school programs in the Raleigh area. It also administered a portion of the summer youth program. Wake Opportunities was the only community-action agency to sponsor pre-CETA programs in the Raleigh area.

Under CETA both the manpower funds and staff of Wake Opportunities have been sharply reduced. The fiscal 1975 contract with the agency amounted to $97,000 and covered outreach, preliminary screening, and manpower services for adult clients as well as the administration of the out-of-school program. It avoided being completely eliminated as a deliverer of CETA services by virtue of the strong support of the mayor of Raleigh. Several of the dominant figures in the consortium questioned Wake Opportunities' ability to run manpower programs at a low cost. The heavy orientation of the agency to blacks and to the urban area of the consortium also affected the decisions.

Vocational Education Agency. The CETA planning council during fiscal 1975 was much more heavily weighted with representatives of public vocational education agencies than was the Manpower Area Planning Council. Increased membership on the planning council, however, cannot be taken as an indication of an increase in the planning participation or the decision making of the vocational education agency; those activities have been the province largely of elected representatives and the manpower staff. The increased weight of the vocational education agency on the council does testify to its close relationship with the elected representatives in the respective counties.

In the three outer counties--Lee, Chatham, and Johnston--the technical institutes were funded through the Raleigh Consortium and the governor's 5-percent fund. The Central Carolina Technical Institute works with the employment service agency in both Lee and Chatham counties; Johnston Tech and Wake Tech both received direct subcontracts with the prime sponsor. The primary change in funding under CETA relates to Wake Tech, which prior to the CETA period had experienced a declining level of support from MDTA funds. The level of support increased from a pre-CETA level of $40,000 to approximately $92,000 under CETA. Wake Tech received an additional $43,000 in fiscal 1975 from the governor's 5-percent fund.

Another change in the classroom training activity is that the program mix at all of the vocational education agencies has shifted in the direction of individual referral in the technical institutes' regular curricula. The shift is explained in large part by the fact that regular, as opposed to special-program, students are counted as full-time equivalent students for budgetary allocations from the North Carolina Department of Community Colleges. This approach facilitated the provision of instruction at no cost to the Raleigh Consortium except for such enrollee costs as allowances, tuition, and books. During fiscal 1975 Wake Tech not only had an almost exclusive contract for training in the Raleigh/Wake portion of the consortium, but the institution also reserved the right to determine whether or not it could provide service to clients. The Wake Tech CETA subcontract specified that "if at any time it is determined that this institution cannot, for any reason, serve the training needs of any CETA enrollee, the enrollee will be referred back to the employability development committee for different action."

Adult basic education, as well as other training activities, were provided without cost to the consortium, except as noted above. Adult basic education, in the view of representatives of Wake Tech, can be used as a holding pattern until clients can be enrolled at normally scheduled intervals in the regular curricula programs at Wake Tech. Wake Tech envisioned itself as the primary vocational training unit in the area, and CETA was viewed as a program that should concentrate on skill training. Interviews with representatives of Wake Tech suggested that acceptance of this philosophy was a sine qua non for the institution's participation in the consortium; the chairman of the Wake County Board of Commissioners also supported this position. Therefore, both the county commissioners and the representatives of Wake Tech saw no need for competition in determining the CETA training agency for the Raleigh/Wake County portion of the consortium.

Employment Service Agency. The employment service also changed roles under CETA. Prior to CETA, the Raleigh ES office was on the planning council and regularly provided labor market data that were used in the preparation of the Cooperative Area Manpower Planning System and the Manpower Area Planning Council planning documents. However, the Lee County ES, which operated several pre-CETA programs in Lee County, was not represented on the MAPC. The ES had responsibility for MDTA institutional and on-the-job training in the MAPC area and sponsored the Neighborhood Youth Corps in-school and summer programs in Lee County.

With the introduction of CETA, the state employment service instructed all branch offices to seek expansion of their manpower roles. The termination of the MDTA and other programs that were previously funded on a statewide basis severely curtailed the ES staff to the point that securing a substantial role in CETA was deemed essential to survival. Under CETA, the ES received subcontracts for all CETA activities in Lee County, the allowance payments system, the payment of wages for the work-experience activity, transportation services, and the placement of all CETA clients in the Raleigh/Wake portion of the consortium. The subcontracts were actually negotiated by the state ES with the participation of local personnel.

Interviews with their representatives indicate that the employment service offices have fared better under CETA because of the added-cost subcontracts that have been obtained with the prime sponsor. " Under this arrangement, the agency will not have to utilize its own Wagner-Peyser funds for CETA purposes, a practice that sometimes occurred under the MDTA programs. According to the mayor of Raleigh, the selection of ES for a role in the Raleigh/Wake County portion of the consortium was based on the general decision of selecting agencies in areas of their greatest competency. The ES representative, however, feels that his agency bid its way into the consortium. Clearly, the ES has a comparative-cost advantage over Wake County Opportunities.

Numerous interviews conducted in the Raleigh area indicated that the image of the employment service with regard to the economically disadvantaged population has been unfavorable. The ES representative, however, views CETA as a vehicle that can be used to improve the agency's image. The ES subcontracts provide for specific persons to handle the CETA services and also allow for the hiring of temporary help when an overload is encountered. Because of the subcontracting procedure used, it is difficult to determine whether or not the ES offices have gained personnel under CETA. However, the ES in the Raleigh Consortium has probably benefited, both in terms of a better-structured relationship with and broader access to a portion of the economically disadvantaged population that had not previously been served satisfactorily. Although it may not have secured all that it sought, the agency clearly emerged with an expanded manpower role under CETA.

PROGRESS AND CHANGES UNDER THE CONSORTIUM

Through the end of calendar year 1974, the Raleigh Consortium lagged considerably behind schedule in the expenditure of CETA funds. This was particularly true for activities in the Raleigh/Wake portion of the consortium. As shown in Table 2, the outer counties had expanded approximately 20 percent of their annual budgets, but expenditures by the subcontractors in the Raleigh/Wake portion averaged between 5 and 10 percent of the annual budgeted amounts. However, it should be noted that the actual number of clients enrolled by December 1974 was consistent with the planned level.

TABLE 2. Raleigh Consortium, Expenditures of Subcontractors through December 1974 as a Proportion of Fiscal 1975 CETA Title I Budgeted Amount

Subcontractor	Percent of Annual Budgeted Amount
All subcontractors	8.1
Johnston County Board of Education	22.1
Johnston Technical Institute	24.4
Chatham County Board of Education	17.1
Lee County Employment Service	19.8
Raleigh Finance Administration	27.6
Raleigh Programmatic and Operations	9.1
Wake/Raleigh Interim Operations	100.0
Wake Opportunities--In-school	8.5
Wake Opportunities--Adult	7.1
Wake Technical Institute	3.6
Wake/Raleigh Employment Service	5.6

Source: Status report submitted to Advisory Council by the Consortium Manpower Office, January 22, 1975.

During the early part of calendar year 1975, the expenditure rates changed substantially. Several factors led to the change. First, the Raleigh Consortium received around $687,000 for public service employment in the initial Title VI allocations. Second, the consortium planning council voted to increase Title I allocations for work-experience programs. The rationale for the shift toward work-experience included the following factors:

1. An already large proportion of the Title I funds was scheduled for classroom training. Increased funding for this activity was limited because of the constraints created by enrollment dates for regular programs at Wake Tech and other technical institutes.

2. Increasing unemployment levels accentuated the need for job opportunities for experienced workers.
3. Commitments for public service positions and on-the-job training slots, with either requirements or goals for absorbing participants into unsubsidized employment, were difficult to obtain under depressed economic conditions.
4. Short-term work-experience programs did not involve commitments for absorbing participants and were viewed as temporary by clients.
5. Work-experience programs appeared to have the flexibility of being extended if the economic slump continued.

It should be noted that the shift to short-term work-experience programs eliminated the problem of expenditures falling short that was encountered initially by the Raleigh Consortium. A total of eight governmental entities entered contracts for slots under the work-experience program. The overall administration of the work-experience program was the responsibility of the Raleigh manpower office, although operational supervision was delegated to "career" employees in each governmental unit. The linkage of such "career" employees to city and county managers rather than politicians was seen as an attempt to minimize the use of CETA Title I and Title VI monies for direct political patronage.

THE RALEIGH/WAKE COUNTY SPLIT

The agreement negotiated by the mayor of Raleigh and the chairman of the Wake County Board of Commissioners was not well received by the various service delivery agencies. The agreement regarding service delivery also received less than enthusiastic support from the federal CETA representatives. Both the mayor of Raleigh and the chairman of the Wake County Commissioners had attempted to reach a compromise that would include all competent agencies as delivery organizations, yet, neither Wake County Opportunities nor Wake Technical Institute was pleased with the compromise. The Wake Opportunities' representative felt that the classroom training provided by Wake Tech was little more than MDTA training, and that there were serious deficiencies in job development and in the linkages between training and placement. On the other hand, the Wake Tech representative felt that CETA should not have incorporated categorical pre-CETA activities and that the recruitment and delivery system was not an optimal one. The regional federal representative expressed concern over the ability of the system to meet client needs in a timely manner as well as concern over the limited linkages between training and job development.

In addition to these considerations, there were several other issues that led to the secession of Wake County from the Raleigh Consortium.

First, differences of opinion regarding outreach and referral practices emerged. The training slots at Wake Tech were to be filled with approximately 50 percent county residents and 50 percent Raleigh residents. The net result was that neither part of the consortium was satisfied. Wake Opportunities' representatives were dissatisfied that more Raleigh residents and more blacks were not served, and some county officials felt that the outreach function did not adequately serve rural and white residents of the county. Second, the program during the first part of calendar year 1975 shifted toward work-experience and away from the initial program concept of occupational skill training. The latter orientation was strongly supported by county officials. Third, the emergence of a new community-based organization, the Wake/Raleigh Opportunities Industrialization Center, in the early part of calendar year 1975 was another factor affecting the withdrawal of Wake County from the consortium. The emergence of an Opportunities Industrialization Center with close ties to the mayor of Raleigh was the proximate, although not necessarily the prime or the underlying, cause of the split.

The withdrawal of Wake County resulted in two prime sponsors: one containing Wake County exclusive of Raleigh and the other encompassing the city of Raleigh and Johnston, Lee, and Chatham counties. From a labor market point of view, the separation is not appropriate since Wake County and Raleigh cannot be considered separate labor market areas. Individuals of all economic levels commute into and out of Raleigh daily for employment purposes. In contrast to the separation of a Durham and a Raleigh portion of the pre-CETA Manpower Area Planning Council that does make sense in labor market terms, the Wake/Raleigh split has no such saving grace. Moreover, Raleigh residents pay taxes to both political entities and, at least to some degree, have claim to services from both the city and county. It would appear that the stage is set for further structural changes.

6

Kansas City-Wyandotte County Consortium, Kansas

Joseph A. Pichler*

The impact of the Comprehensive Employment and Training Act of 1973 (CETA) on the manpower system of the Kansas City-Wyandotte County Consortium, Kansas, between July 1, 1974 and February 1, 1975 is the subject of this paper. The study explores the effect of CETA upon the planning, administration, delivery, and composition of manpower services. Particular attention is devoted to how CETA has changed the roles and relationships among governmental units and manpower service agencies.

PRE-CETA PLANNING SYSTEM

Geographic Coverage. The Kansas City Standard Metropolitan Statistical Area (SMSA) spans an interstate area that includes Johnson and Wyandotte Counties in Kansas, plus the counties of Cass, Clay, Jackson, and Platte in Missouri. Until July 1974, the effective date of CETA, manpower planning was conducted for a labor market area that included the entire SMSA plus Leavenworth (Kansas) and Ray (Missouri) counties. The population within the planning area totaled 1.3 million persons.

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Dynamics of the Planning Process. A Cooperative Area Manpower Planning System (CAMPS) plan was developed for the area by the Mid-America Regional Council, an interstate unit formed to promote coordinated planning for highway, sewer and water, urban renewal, manpower, and other public services.[1] The Kansas City, Kansas office of the State Employment Security Agency (ES)[2] provided several staff members to assist the Mid-America Regional Council in the development of the plan. The final product was reviewed and approved by the Kansas City Metropolitan Planning Council (MAPC) before it was forwarded to the U. S. Department of Labor (DOL).

Discussion with members of the MAPC indicated that the Cooperative Area Manpower Planning System planning process was often viewed as a futile exercise. They agreed that CAMPS set a desirable goal of creating an integrated plan to cover the entire labor market area. However, the consensus was that such a goal could not be achieved because manpower resources were not necessarily allocated in accordance with the CAMPS plan. Service contracts were written either by the Regional Office of the Manpower Administration or, in the case of national contracts, by DOL itself. Decisions regarding the funding level, content, and sponsorship of manpower programs were made by these federal agencies. Since the MAPC did not exercise direct control over resource allocations, some members viewed the CAMPS plan as mere window dressing to meet requirements and to give the appearance of coordination within the entire labor market area. As a result, many agencies paid scant attention to the planning process and conserved their energies for contract negotiations with the Regional Office or DOL. The separation of the planning and resource allocation processes severely weakened CAMPS and prevented the development of a coordinated manpower system in the metropolitan area.

1/ The Mid-America Regional Council includes the eight counties mentioned plus the cities of Independence, Mo., Kansas City, Mo., Kansas City, Ks., and Overland Park, Ks.

2/ Unless otherwise indicated, the acronym ES will denote the Kansas City, Kansas local employment service office.

CETA MANPOWER PLANNING SYSTEM

Geographic Coverage. CETA brought an end to attempts at planning on a labor market-wide basis. Even as the last Cooperative Area Manpower Planning System plan was being prepared, the Metropolitan Planning Council members had already decided to reimpose the Kansas/Missouri state boundary when revenue sharing became a reality. Thus, it was clear from the start that the SMSA would be divided into at least two planning areas and that the largest possible unit for the Kansas portion would be a single consortium composed of Kansas City, Kansas, the balance of Wyandotte County, and Johnson and Leavenworth Counties. At the other extreme, the Kansas area might have been divided into three separate areas if both Kansas City, Kansas and Johnson County had exercised their right to be designated prime sponsors; Leavenworth and Wyandotte Counties would have joined the Kansas balance-of-state prime sponsor.

A single consortium of the Kansas sector of the SMSA was attempted, with the encouragement of the Regional Office, but foundered when the parties disagreed upon the processes for program decisions, resource allocation, and on a delivery system structure. Johnson and Leavenworth Counties apparently wished to maintain a high degree of control over the funds to be allocated under the CETA formula. Conversely, Kansas City, Kansas officials were concerned that they would be outvoted on resource planning if they entered into a consortium with the three counties. Because Kansas City, Kansas contains a disproportionate share of the area's minority and disadvantaged families, city officials feared that entry into the three-county consortium might reduce the flow of funds to these target groups.

Table 1 provides a summary of the differences in population characteristics among Kansas City, Kansas and the three counties. Johnson County's median family income was among the highest in the nation and exceeded the average of Wyandotte and Leavenworth Counties by over 35 percent. In addition, Johnson County contained few blacks, had only 3 percent of its families below the poverty level, and had an unemployment rate that was one-third less than its sister counties. Wyandotte and Leavenworth Counties were very similar in terms of median family income and unemployment rates, but their racial composition differed markedly. Wyandotte contained over seven times as many blacks as Leavenworth. Kansas City, Kansas alone accounted for 59 percent of the three-county area's poverty-level families and 82 percent of its blacks.

Ultimately, the issues of resource control and population differentials brought about the formation of two consortia: Kansas City, Kansas-Wyandotte County and Johnson/Leavenworth Counties. The Kansas City-Wyandotte joint venture was apparently based upon efficiency considerations. Approximately 90 percent of the population of Wyandotte County resides within Kansas City. Because the city includes a disproportionately large share of the county's target population, Wyandotte would have received a relatively small portion of manpower funds had it joined the balance-of-state (BOS). In

TABLE 1. Population Characteristics of Kansas City Standard Metropolitan Statistical Area Governmental Units In Kansas (1970)

Government Unit	Total Population	Black Population		Families Below Poverty Level		Unemployment Rate	Median Family Income
		Total	Percent	Total	Percent		
Total	457,847	41,573	100	7,397	100	--	--
Wyandotte County	186,845	35,630	85	4,643	63	3.7	$9,210
Kansas City, Ks.	168,214	34,277	82	4,359	59	3.8	9,165
Balance of County	18,631	1,353	3	284	4	--	--
Johnson County	217,662	1,081	3	1,677	23	2.5	13,384
Leavenworth County	53,340	4,862	12	1,077	14	3.7	9,800

Source: 1970 Census of Population Report PC(1)-C18 Kansas addition, the county lacked a manpower staff of its own, while Kansas City had created a professional group in preparation for CETA. The county commissioners concluded that it would be inefficient to develop their own staff to administer the small amount of funds that would be allocated to the county if Wyandotte chose to remain part of the BOS instead of joining Kansas City. The creation of the consortium offered economies of scale, improved coordination in the planning process, and afforded Wyandotte County greater local control over decisions as compared to the situation had it joined the BOS. The decision to form the Kansas City-Wyandotte Consortium was apparently not influenced to any degree by the availability of the incentive funds offered to encourage consortia formation.

It is unfortunate that CETA brought about a fracture in the manpower planning unit for the Kansas City SMSA. Ideally, the eight counties might have developed a single planning council in order to coordinate programs throughout the entire SMSA area. The initial division along state boundaries, followed by the failure of the three Kansas counties to form a single consortium, made it difficult to develop a uniform plan to coordinate services. For example, only 50 percent of residents in Kansas City, Kansas work in the city itself or in the balance of Wyandotte County. Another 26 percent are employed in Kansas City, Missouri, and the remainder are working elsewhere in Kansas or Missouri. A significant portion of the employment opportunities in the SMSA are centered in Kansas City, Missouri, and a disproportionate share of the disadvantaged population resides in Kansas City, Kansas. Manpower planners and administrators in the Kansas City-Wyandotte Consortium find it somewhat difficult to include job opportunities "on the Missouri side" in their programs. The chairman of the local CETA manpower planning council noted that it would have been better to have the entire metropolitan area included because the whole area is related and people commute freely among the counties to their jobs. Planning and services should cover the true labor market. This would reduce duplication and might help in the solution of other problems such as taxes, transportation, and education.

Perhaps it was inevitable that interstate, labor market-wide planning would end with the advent of CETA. [3] As noted earlier, participants in the Cooperative Area Manpower Planning System planning process had often approached it with a degree of cynicism because there was no guarantee that resources would be allocated in accordance with the plan. Decision-making authority rested with DOL and its Regional Office rather than with local governments and agencies. CETA placed the control squarely with the local governments; planning became more than a paper exercise and resource allocation was vitally affected by decisions regarding prime sponsor structure. Local self-interest grew more salient than in pre-CETA days, and governmental unit representatives thought carefully about resource implications before forming consortia with neighboring units. Interstate cooperation became much more difficult because the flow of actual dollars across state lines was at stake. Thus, the Kansas and Missouri counties immediately broke their relationship and, subsequently, Johnson and Leavenworth Counties in Kansas chose to form a consortium that separated them from the minority and disadvantaged population in Kansas City, Kansas.

Council Membership. Despite the specificity of CETA regarding council membership, prime sponsors retain some flexibility in appointing particular individuals to represent the community-based organizations (CBOs), client groups, business, labor, and other groups. This latitude might be a source of dispute within some consortia because the planning council's membership may influence resource allocation within the prime sponsor's geographic area. However, the Kansas City-Wyandotte Consortium avoided conflict by an agreement that the three city commissioners and the three Wyandotte County commissioners would each appoint two individuals. A thirteenth member was selected from program enrollees.

[3] The Mid-America Regional Council is still required to approve the Kansas City-Wyandotte Consortium plan and those of the other prime sponsors in the SMSA area, but this appears to be a formality rather than a process that effectively coordinates the plans.

Wyandotte County is directly represented on the CETA manpower planning council, but Kansas City has no similar representation. That difference reflects an important decision regarding the council's role. The parties to the consortium agreed that Kansas City should undertake the major reponsibility for administering the manpower programs as set forth in the plan. In view of this arrangement, it was decided that the council should function as a board of directors. Kansas City would be held responsible for its administration by reporting to the manpower planning council and by serving as its staff during the planning process. Thus, the city's absence from formal membership on the council provides a desired functional separation between policy making and program administration. At the same time, the integration of these two processes is ensured by Kansas City's regular reports to the manpower planning council and its service as council staff.

The CETA manpower planning council members were named about January 1, 1975. However, early CETA planning was performed by essentially the same group that had composed the pre-CETA council. Two factors caused the prime sponsor to change the council membership. First, the original group did not conform to federal guidelines and the Regional Office advised that a change should be made. Second, the original council was heavily weighted toward program sponsors who would be directly affected by the plan and its recommendations regarding delivery agencies. In accordance with federal regulations, the revised planning council includes some program operators; the prime sponsor has reduced the potential for conflict of interest by restricting these agencies to nonvoting status.

There have not been any major controversies regarding the council's structure or composition. The manpower administrator for the prime sponsor noted that the meetings to select members and to discuss the plan were open to the public and attended by a wide variety of groups who had been invited to come and present their cases. In particular, community-based organizations who were not official members of the council were actively involved in the planning sessions and expressed satisfaction that they had been fully consulted. This open approach alleviated problems and controversies that might otherwise have occurred.

The CETA manpower planning council chairman is a priest who was appointed by the city commission upon the recommendation of the Kansas City manpower administrator. The selection of a neutral individual has been of great value in mediating differences of opinion among council members. The manpower planning council technically reports to the Kansas City commission, but does so through the city's Office of Manpower Planning and Coordination, which is directed by the Kansas City manpower administrator. An organizational chart of the planning/administrative/delivery system appears in Figure 1.

Dynamics of the Planning Process. Consistent with its role as staff, the city's Office of Manpower Planning and Coordination played the primary role in developing an initial plan for consideration by the council. This consisted largely of a statement of the need for various services such as on-the-job-training (OJT) and remedial education in the consortium area. The planning council reviewed the proposal and adjusted the various types of slots to be provided in accordance with its own view of the relative need in the area. The potential for intra-consortium friction was avoided by the adoption of a policy that geographic boundaries would be ignored entirely in the allocation of resources and the selection of sponsors. As noted by the Kansas City manpower administrator, clients are served without regard to whether they reside in the city or out-county area, and contracts for services are developed without concern for the relative allocation of services between the city and the balance of the county.

After the council had made a preliminary determination of the services to be provided, it reviewed funding proposals that had been submitted by local manpower agencies. The council then completed its plan and sent it, complete with recommendations regarding program operators, through the city's manpower administrator to the city and county boards of commissioners. The administrator recommended full approval of the document and the commissioners adopted it without substantial change. In the words of the council chairman: "This is a strong advisory group to the city and

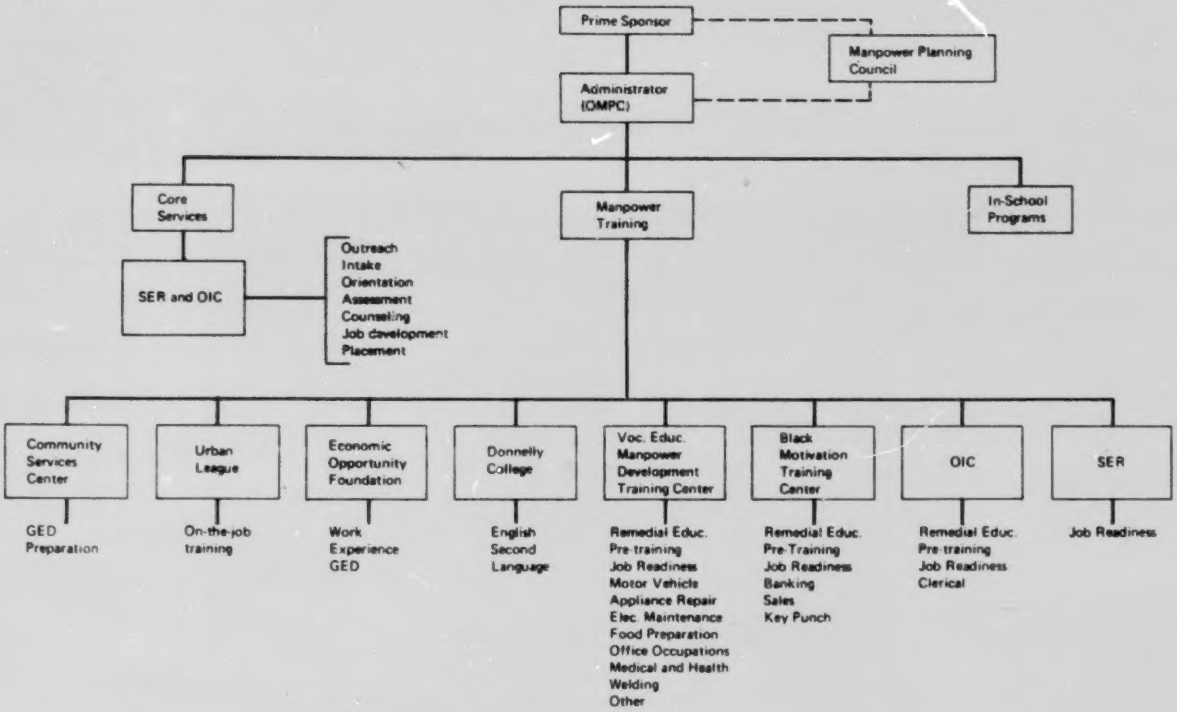
Prime Sponsor
Manpower Planning Council
Administrator (OMPC)
Core Services
Manpower Training
In-School Programs
SER and OIC
Outreach
Intake
Orientation
Assessment
Counseling
Job development
Placement
Community Services Center
Urban League
Economic Opportunity Foundation
Donnelly College
Voc. Educ. Manpower Development Training Center
Black Motivation Training Center
OIC
SER
GED Preparation
On-the-job training
Work Experience GED
English Second Language
Remedial Educ.
Pre-training
Job Readiness
Motor Vehicle
Appliance Repair
Elec. Maintenance
Food Preparation
Office Occupations
Medical and Health
Welding
Other
Remedial Educ.
Pre-Training
Job Readiness
Banking
Sales
Key Punch
Remedial Educ.
Pre-training
Job Readiness
Clerical
Job Readiness

FIGURE 1 Kansas City-Wyandotte County Consortium, Planning, Administration, Delivery System, Fiscal 1975

and county commissioners. Our recommendations regarding types of services and sponsors have been almost universally approved." This brief review of the process indicates that manpower planning has been successfully decentralized to the local governmental units and the CETA manpower planning council in the Kansas City-Wyandotte Consortium.

Discussions with the prime sponsor and the council chairman indicate that the council selected operators on the basis of competitive bids after considering each agency's past performance, general reputation in the community, and general proposal quality. Wherever possible, past performance was given the most weight, and agencies with a good record had a substantial edge over newcomers. However, the chairman of the planning council noted that there was little hard evaluation data actually available and the council often found it necessary to rely upon the reasonableness and quality of each program proposal. In addition, some attempt was made to include all existing agencies that had operated before CETA, even if performance had been marginal, with the understanding that the agency would be carefully monitored during the first six months of the program, when a decision would be made whether to continue its funding.

The chairman indicated that the planning council operated as a committee of the whole in receiving and revising the recommended plan. All evidence suggests that members spoke openly and with a high degree of independence. It is clear that the planning process was taken seriously and that participants believed that the council's proposal would vitally affect resource allocation. As a result, there appeared to be more competition among program sponsors under CETA than in the days when funding decisions were made through one-to-one negotiations with the Regional Office. According to one of the council members, pre-CETA delivery agencies followed a live-and-let-live policy because each was individually funded by DOL; however, with the advent of CETA, competition for available funds became much more intense.

A major disagreement occurred over the question of decategorization. The council had taken the position that the manpower programs should be comprehensive and noncategorical. However, Opportunities Industrialization Center (OIC) wished to receive a grant to continue its categorical program. Political pressure was brought to bear when a number of black ministers visited the mayor and the commissioners on behalf of OIC's program. The council apparently had long discussions with the ministers in order to explain the purpose of CETA and the decategorized approach. An agreement was then reached whereby OIC would play a major role in providing intake and assessment core services. The issue raised by OIC was clearly over categorical versus decategorized programs rather than a disagreement over the division of resources among blacks, Spanish-origin, or other client groups.

In preparing service proposals, agencies with a national affiliation enjoyed a clear advantage over purely local organizations. A local Services, Employment, Redevelopment (SER) spokesman noted that the national office had provided significant technical assistance in preparing the agency's proposal. Apparently SER's document was well written and presented statistical evidence that its pre-CETA program operations in Kansas City had been highly efficient in terms of placement and service provisions.

To summarize, the CETA manpower planning council exercised a clear and authoritative voice in developing the plan, designing the delivery system, recommending service levels, and selecting sponsors. Lengthy discussions with representatives of the community-based organizations, the Regional Office of the Manpower Administration, the prime sponsor, and the vocational education agency produced the clear view that the CETA planning council definitely has more authority to make effective recommendations than did the pre-CETA council. The council's plan was accepted without substantive change by the city and county commissioners, the ultimate locus of consortium authority. Program sponsors are fully aware that CETA has moved the center of decision-making authority from DOL to the prime sponsor in consultation with the manpower services council.

Agency Roles and Relationships. The Regional Office of the Manpower Administration supported the decentralization of authority by avoiding substantive involvement in the planning process and by concentrating upon the provision of technical assistance. It supplied information regarding options available to the prime sponsor, assisted in the development of statistical data, and interpreted federal regulations. The relationship between the prime sponsor and the Regional Office in the planning process was apparently quite positive. For example, the Regional Office worked with the prime sponsor to bring the on-the-job training portion of the plan into conformity with standards regarding wages to be paid trainees. DOL also persuaded the prime sponsor to increase the allocation of funds for day care services to assist mothers engaged in training. The prime sponsor indicated that the advice had been most helpful in this regard because the city planners had overestimated the capacity of existing day care centers.

The state of Kansas played no role whatsoever in the development of the consortium's Title I plan for fiscal 1975. Discussions with the Kansas City manpower administrator indicated that no comments had been received from the governor's office at any time during the planning process. The administrator indicated that the state provided no technical assistance to the consortium. This raises a substantial question about the use of the technical assistance funds that had been made available to the state under CETA. It appears that the State Manpower Services Council has had no impact on consortium activities.[4]

Substantial changes were observed in the degree to which the various potential program sponsors participated in the planning process. CETA augmented the planning role of the community-based organizations, reduced the impact of the employment service, and caused little change in the vocational education agency's participation. Representatives of the CBOs indicated that their participation in planning had benefited them in two ways. First, it provided direct access to the manpower decision-making center, permitting them to have a greater impact upon resource allocation. Second, it served an important educational function by making them more knowledgeable about manpower programs, needs, and processes in the Kansas City, Kansas area. It seems clear that the CBOs feel involved in the planning, and that they are pleased with their opportunity to make effective recommendations. The director of one CBO noted that they have been given very good opportunity for input and for making recommendations regarding membership on the council.

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[4] It might be noted parenthetically that the state CETA system was in vast-disarray before January 1, 1975. The state apparently had no involvement in the funding or administration of local manpower programs either before or after CETA. Recently, a new state manpower administrator with substantial knowledge of the CETA system has been appointed. (The individual had been the administrator for the City of Topeka prime sponsor.) This change is likely to bring about substantially improved integration between the Kansas City-Wyandotte Consortium and the state manpower system.

The favorable reaction of the CBOs to CETA is a credit to the prime sponsor, who made a concerted effort to keep the planning process public, to involve all interested agencies, and to assure the planning council that its recommendations would be given a very heavy weight. Before CETA, the CBOs had made contracts directly with DOL and had paid less attention to the local planning process because they did not perceive a substantial payoff from doing so.

The local employment service office is a member of the planning council, but its voice has apparently been subdued. As indicated earlier, the ES had provided planning staff for the pre-CETA council. The planning function is now performed strictly by the prime sponsor and its planning council, on which the ES is an equal. As one might expect, ES staff has reacted negatively to the agency's lessened impact. Local office representatives commented that the council is heavily weighted toward client groups and community-based organizations and that the ES has been denied an active role in manpower programs because of "political considerations." They also indicated that the local office staff has been reduced by ten people since the consortium was established. At least some of the ES employees had been engaged in planning under the Cooperative Area Manpower Planning System, and their release is attributed directly to the new CETA planning system. Finally, the ES view of the new manpower system undoubtedly was affected by the fact that the local office has not been selected to provide any CETA services. This development will be discussed later.

In contrast, the vocational education agency appears to have made a smooth transition to the CETA planning system. The agency had participated actively in the pre-CETA planning council and the director of the local vocational education agency was chairman of that group for three years. The vocational education agency made an early decision to become fully acquainted with the operations of CETA and to revise its own approach to conform with the Act's goals. The director notes:

> We have been successful in making the transition to CETA. We grasped the objectives of future manpower programs from our participation in CAMPS and felt that we had to be the hub of future manpower activity in Kansas City or exclude our services entirely from the prime sponsor--in which case VOED would soon fade out of existence.

Nevertheless, the planning role of the vocational education agency has probably been reduced by some degree since CETA. An agency spokesman was quite blunt in commenting that, in pre-CETA days, the key planning decisions were made by a team of local vocational education agency and employment service administrators. Those decisions are now made by the prime sponsor and the planning council. However, the agency has adjusted to the new situation and adopted a participative attitude toward the council, establishing itself as a solid member. It is interesting to note that the council includes a representative from the skill center as well as from the vocational education agency itself.

To summarize, there is a general consensus that the CETA planning council is more broadly representative than the pre-CETA council. All of the interested parties, except for the employment service, feel that they participate actively in the program and that the city has made a genuine effort to encourage such participation. The board of directors concept whereby the city, through its Office of Manpower Planning and Coordination, serves as staff to the council has been successful in generating a high degree of involvement among council members.

PRE-CETA ADMINISTRATIVE SYSTEM

Before CETA, Kansas City, Kansas and Wyandotte County had no general administrative authority for manpower programs. Kansas City's only operational responsibility was for an Emergency Employment Act (EEA) program that operated under a DOL grant. The city's relationship with DOL for this contract was the same as that of any local agency involved in the delivery of manpower services. There was no formal provision for local governing bodies to coordinate and control manpower programs.

The key administrative authority for pre-CETA manpower programs in Kansas City was vested in the Regional Office of the Manpower Administration. Sponsors of manpower programs negotiated contracts with the Regional Office, or, in the case of OIC and SER, directly with DOL. With the exception of the national contracts, the Regional Office was responsible for reviewing proposals, selecting delivery agencies, monitoring performance, and enforcing the agreements. The Regional Office's administration was direct and there were no layers between it and the delivering agencies.

As indicated above, prior to CETA each program sponsor submitted proposals to the Regional Office. Although guidelines required that programs be funded only if they conformed with the Cooperative Area Manpower Planning System plan, prospective program sponsors viewed the locus of authority as resting in the Regional Office and did not feel substantially constrained by the planning document. Correctly or incorrectly, each sponsor perceived itself to have a one-to-one relationship with the Regional Office that was unaffected by contracts elsewhere in the geographical area. Program sponsors frankly admitted that the administrative system had often resulted in service duplication.

CETA ADMINISTRATIVE SYSTEM

Role of the Prime Sponsor. Administrative authority for the manpower program now rests entirely with the prime sponsor, who has subcontracts for service with various manpower agencies. Kansas City has primary authority for administering the consortium's programs in accordance with the approved plan. Wyandotte County is involved in the planning but does not participate directly in administration. City officials are not personally involved in day-to-day administrative aspects. This is left to the Kansas City Office of Manpower Planning and Coordination in the city planning department and is directed by the Kansas City manpower administrator. The administrator was appointed by the Board of City Commissioners and reports directly to the mayor.

Manpower agencies negotiate contracts directly with the administrator, who acts as agent for the consortium. The agencies forward invoices for services performed to the administrator, who checks the bill against the contract specifications. Formal approval for the disbursement of funds must be made by the city commission contingent upon the city auditor's determination that the payment is appropriate. If the invoice is in order and payment is approved, the administrator forwards the funds to the subcontractor's bank account. (This system is the same as that followed by the city in paying for other services.) In addition to these fiscal responsibilities, the administrator utilized its management information system to check the income, residence, and eligibility of enrollees in the various programs. Finally, the city staff is engaged in on-site monitoring.

A highly centralized system has been developed to administer consortium programs. There is virtually no opportunity for sponsoring agencies to "end run" the administrator in order to obtain funding for a project. The county appears to be very satisfied with the location of administrative authority within Kansas City because of the resulting economies and because the administrator has completely disregarded political subdivisions within the consortium in making decisions regarding program participants, sponsors, and the location of manpower agencies.

Role of the Regional Office. CETA has changed the Regional Office from a line to a staff agency. It reviews the consortium's plan to make certain that it conforms with federal regulations and then shifts to a technical assistance role with no direct administrative responsibility over programs. Regional Office representatives indicated that they are available to advise the city regarding programs, but they do not attempt to dictate content or sponsors. However, a member of the manpower planning council stated that there had been some minor friction between the city planners and the Regional Office because "the planners do not like being watched." In that regard, a prime sponsor representative said he had felt some initial pressure from the Regional Office to include the employment service among the contracting agencies. The Regional Office allegedly emphasized there would have to be a good explanation if the ES did not receive a contract to provide services. No substantial dispute appears to have developed when the planning council later decided not to include the ES among the contracting agencies.

Role of Program Operators. The administrative responsibilities of program operators have changed in varying degrees under CETA. Each operator now has a direct relationship with the prime sponsor rather than with the Regional Office. The vocational education agency continues to operate a skill center that provides a wide range of institutional training under subcontract. Agency spokesmen indicated that CETA had not required a substantial change in its administrative processes. The employment service received no contract and is outside the administrative system. Community-based organizations providing manpower services characterized the CETA administrative system as being more efficient because "the money comes from one place under one guideline." However, there is some complaint that agencies are required to do more bookkeeping and to record much more standardized information on enrollees for the prime sponsor than they had done for DOL. One CBO complained: "At times, the record system gets in the way of serving people."

Several program sponsors indicated that they now feel they are being monitored more closely by the prime sponsor than they had been by the Regional Office under the pre-CETA administrative system. Agencies appear to have a good grasp of the entire manpower system in the Kansas City area and are well aware of the services being provided by competing agencies. One program operator described the new situation:

> Before CETA, there was only a poor network and no communication among agencies. We are now learning about each other, beginning to work together, and utilizing one another. Also, we internally monitor one another and keep each other honest.

CETA seems to have had a positive effect upon program administration because proposal evaluation and sponsor selection are performed at one point and one location through the prime sponsor and planning council. Before CETA, independent proposals were submitted to the Regional Office in serial fashion. Most important, the consortium has been successful in bridging the gap between program planning and administration. By serving as staff to the council and, at the same time, exercising direct administrative control over program sponsors, the manpower administrator is in an ideal position to effectuate the manpower plan through the granting of appropriate subcontracts. Finally, it would appear that CETA has made the administration of manpower programs more responsive to local needs and/or forces. Sponsoring agencies are fully aware that final authority for the granting of contracts rests with the city and county commissions. Manpower services are now a very visible aspect of commissioner activity. Failure to provide adequate services or evidence of mismanagement is likely to result in direct political pressure being brought by the local press, competing manpower agencies, and clients.

PRE-CETA DELIVERY SYSTEM

Before CETA, the Kansas City, Kansas manpower system offered a full range of categorical programs including EEA, MDTA institutional and on-the-job training, all forms of Neighborhood Youth Corps (NYC) programs, Operation Mainstream, and the programs operated under national contract by OIC and SER. Discussion with program sponsors indicates that there was a substantial degree of duplication in recruiting, referral, training, and placement activities. Each agency that had a training contract with the Regional Office provided these services in an independent and uncoordinated fashion.

The employment service played a central role in the manpower training system by providing intake and orientation, counseling and assessment, job development, and placement services for enrollees. Some manpower clients registered first with the ES and were then referred to the skill center, operated by the employment service in conjunction with the vocational education agency, or to one of the other manpower agencies for services.

Several program sponsors were critical of the employment service's performance, particularly in the area of outreach. One stated that it had not developed any satellite stations before CETA, but provided services only to walk-ins at the central office. In his view, that severely restricted the access of disadvantaged individuals to manpower services because many did not feel that the ES had been responsive to their needs in the past. It was difficult to validate the accuracy of this criticism, but the ability of the ES to penetrate the disadvantaged population would have been severely limited if this attitude were widespread among the client group.

CETA DELIVERY SYSTEM

Early in its deliberations, the CETA manpower planning council adopted a policy that the manpower programs in the consortium should be decategorized and welded into a comprehensive system. As noted earlier, this caused heated debate because OIC and SER initially preferred to maintain their categorical programs without change. The council held firm despite substantial political pressure from OIC, and the prime sponsor adopted the decategorized plan.

Description of the Delivery System. Figure 1 describes the CETA manpower delivery system operating in the Kansas City-Wyandotte Consortium. SER and OIC are the central intake points for all applicants. These agencies provide the core services of outreach and recruitment, orientation, assessment, and counseling. Clients are then placed directly in jobs or referred to some combination of manpower services provided by agencies under subcontract with the prime sponsor. This design was intended to eliminate unnecessary duplication and to coordinate the activities of the various program operators. The two intake agencies provide advice on the full range of services and agencies available. It is no longer necessary for a client to shop from program to program in order to find a suitable one.

The CETA structure has definitely improved client access to manpower services. Before CETA was adopted, intake was available only within a one-mile area located inside the central city. SER has now created two satellite offices, one located 11 miles west and the other three miles south of the central city. In addition, SER and OIC have centers located within central city limits and the employment service also makes some referrals to one of the intake points. All program sponsors who provide the manpower training services are located within Wyandotte County. However, the prime sponsor has written a few on-the-job training contracts with firms located in Kansas City, Missouri. Thus, despite the fragmentation of the planning area after CETA, trainees in Kansas City, Kansas retain some limited access to the favorable job opportunities located in Missouri.

In summary, the prime sponsor appears to have been fairly successful in developing and implementing a comprehensive, decategorized manpower system. As compared to the pre-CETA condition, the current design offers clients a better opportunity to have programs tailored to suit their individual needs. After assessment at one of the central intake points, they may be referred to a combination of training programs provided by one or more agencies rather than being enrolled in a categorical program providing fixed and limited services.

Impact upon the Community-Based Organizations. The manpower delivery roles of OIC and SER have increased dramatically under CETA. They no longer offer nationally funded categorical programs, but are the central intake agencies that provide core services to all clients. In addition, SER is the subcontractor for a job readiness program; OIC offers clerical vocational training, remedial education, and job readiness training; the Economic Opportunities Foundation provides decategorized work-experience and general education development preparation; and the Urban League contracts for on-the-job training.

The clientele for community-based organizations has been widened under CETA. Before the new legislation, SER and OIC provided services only for blacks and persons of Spanish origin respectively. Under the CETA delivery system, the agencies provide core services to all participants. As a result, both now occupy a central position in the delivery system.

Impact on the Employment Service. The manpower role of the employment service in Kansas City has been sharply curtailed. In fiscal 1975 the employment service did not provide manpower services under CETA. It is difficult to pinpoint the precise reasons for their exclusion, but a variety of forces appear to have been at work. Some client representatives believed the ES should be excluded because it had not actively served the disadvantaged population in the area. On the other hand, representatives from several manpower agencies expressed the view that the local office was excluded because of political pressure. They said that the original manpower plan designated SER and the ES to provide the core services, but the ES was dropped when OIC advocates applied pressure upon the city commissioners. Finally, the local office may not have made a strong, positive attempt to gain programs under CETA.

It is impossible to weigh these claims and counterclaims. Clearly, the decision has created unfriendly relationships between the employment service and the rest of the manpower system under the consortium. ES representatives feel their agency has been dealt a severe blow by CETA at both the planning and delivery stages. Those feelings were exacerbated by the subsequent reduction in the ES staff. This has clearly shaken the ES and the threat of further reduction may encourage the agency to seek improved relations with the prime sponsor. If the present delivery system proves ineffective at the intake and placement points, conditions may become ripe for detente.

IMPACT OF CETA ON PROGRAM MIX AND CLIENTELE

A precise analysis of CETA's effect upon the mix of program services and the clientele in Kansas City cannot be provided. Decategorization prevents a service-by-service comparison with the pre-CETA categorical programs; precise statistics on the nature of clientele are unavailable for the period before CETA; and the new program had been in operation for only a short period. However, general inferences regarding program mix and clientele may be drawn from observations made during interviews with representatives of the prime sponsor, the council chairman, and participating program sponsors.

There does not appear to have been a major change in the mix of services provided within the consortium area. In developing the manpower plan for fiscal 1975, planners relied upon the 1970 census for the SMSA in attempting to estimate the universe of need. The generality of these demographic data and the limited time available between the publication of federal guidelines and the development of the plan limited the opportunity to tailor closely the program mix to target population characteristics.

The skill center operated by the vocational education agency still occupies a central place in the training program. As indicated in Figure 1, the center offers a wide variety of vocational training courses plus remedial education, pre-training orientation, and job readiness instruction. The vocational education agency indicated that there had been no major change in its mix of services. However, it is likely that the volume of institutional training will increase because the rise in unemployment has reduced employment opportunities necessary for an effective on-the-job training program.

During the early period work-experience occupied an ambiguous position in the overall scheme. A representative for the prime sponsor indicated that a policy regarding work-experience was being developed in order to articulate its appropriate position among the various manpower services. In general, programs in the consortium are geared toward improving the employability of clients. There is some question as to whether work-experience is of general value in that regard or whether its use should be carefully restricted in order to avoid placing participants in activities that yield little in the way of skill training.

Two relatively novel programs in the Kansas City area have been introduced since the inception of CETA. Donnelly College has been funded to teach English as a second language, and the Martin Luther King Urban Center provides an in-school program that recruits youths from the neighborhood, provides intensive counseling, and places them in jobs outside the school system, for example, as receptionists in nonprofit firms. The latter program departs substantially from the Neighborhood Youth Corps in-school categorical program that had offered employment opportunities largely within the school system.

Finally, the CETA manpower planning council chairman indicated that somewhat more emphasis was being placed upon preparation for the general education development diploma than before. He stated that program planners had adopted the view that formal education should be a more important component of the training programs.

Changes in Clientele. Interviews with prime sponsor representatives indicated that overall enrollment under CETA would probably be lower than in prior years. The plan called for the participation of 1,590 persons in some form of training during fiscal 1975. This reduction in scale was expected to be accompanied by a shift in emphasis toward unemployed heads of households and away from youth. In general, the community-based organizations appear to be pleased with the target population that has been identified in the plan.

Some modification in clientele may also be caused by the change in the delivery system. The new SER intake centers in the western and southern parts of the county will increase the volume of applicants from the Argentine district where the population includes a heavy proportion of Spanish surname families. The selection of OIC as a second provider of core services may induce more blacks to participate in manpower training.

Finally, the increase in unemployment and the liberalization of eligibility requirements, as compared to the pre-CETA categorical programs, may change the clientele to some degree. The combination of factors will increase the number of more advantaged persons who need and/or qualify for training. It is difficult to predict whether they will affect the factors that will tend to expand the rate of participation by minority group members.

SUMMARY

The preceding sections have analyzed the planning, administration, delivery, and composition of manpower services in the Kansas City, Kansas area before and after the implementation of CETA. The major conclusions derived from this analysis may be summarized as follows:

- The decision by Kansas City, Kansas and Wyandotte County to form a consortium was based largely upon efficiency considerations. Because the city includes a disproportionately large share of the county's population, Wyandotte County would have received a small amount of CETA funds had it joined the balance-of-state program. Formation of the consortium also obviated the need for the county to develop a manpower staff separate from that of the city. Thus the arrangement offered Wyandotte County economies of scale, coordinated planning with the dominant city, and greater local control over decision making as compared to the balance-of-state option. The decision to form the consortium apparently was not influenced by the availability of incentive funds.

- CETA places resource control squarely in the hands of local government units. The allocation of funds within any area is vitally affected by prime sponsor structure and the manpower plan. Governmental units think carefully about the resource implications of forming consortia with neighbors, and interstate cooperation is much more difficult now that the flow of actual dollars across state lines is at stake.
- In the Kansas City-Wyandotte County Consortium, the CETA manpower planning council exercises a clear and authoritative voice in developing the plan, designing the delivery system, and selecting service sponsors. Its proposals were accepted without substantive change by the city and county commissioners. All participants stated that the CETA planning council definitely has more authority to make effective recommendations than did the pre-CETA council.

  The manpower planning council functions as a board of directors to which the city's manpower administrator reports. By mutual agreement, the city has undertaken administrative responsibility for the manpower programs as set forth in the plan. Kansas City's absence from formal membership in the council provides a desired functional separation between policy making and program administration. At the same time, the integration of these two processes is ensured by Kansas City's regular reports to the council and its service as council staff.
- The consortium appears to be stable and is likely to continue in the foreseeable future. City-county friction was avoided by the adoption of a policy that geographic areas would be ignored in the allocation of resources, the selection of sponsors, and the service of clients.

- Manpower services in the Kansas City-Wyandotte County Consortium have been decategorized despite the exercise of political pressure by program operators who wished to retain categorical programs. Delivery agencies are selected on the basis of competitive bids covering past performance, and quality of the proposed programs. In general, there appears to be more competition among program sponsors under CETA than had been the case when funding decisions were made through one-to-one negotiations with the Regional Office of Manpower Administration.
- CETA has markedly changed the roles and relationships among manpower agencies and governmental units. The Regional Office supported decentralization of authority by avoiding substantive involvement in the planning process and by concentrating upon the provision of technical assistance to the prime sponsor and to the planning council. The role of federal agencies has shifted from line to staff. The state of Kansas has played no part whatsoever in the development of the consortium's plan or in its implementation.

  CETA has augmented the planning and program roles of the community-based organizations. The vocational education agency appears to have made a smooth transition to CETA, is active in the planning process, and was selected to provide a wide range of institutional training services at the skill center. In contrast, the employment service's relationships with the prime sponsor and with program sponsors are strained. The agency's role in manpower planning has been substantially reduced and it has not been selected to provide any manpower services under CETA.
- The consortium has developed a centralized administrative system under the city's Office of Manpower Planning and Coordination. Agencies appear to have a good grasp of the system and are well aware that final authority rests with the prime sponsor. Several program agencies indicated that they now feel they are being

monitored more closely by the prime sponsor than they had been under the pre-CETA administrative system.

- Manpower services are now a very visible aspect of city and county commissioner activity. Failure to provide adequate services or evidence of mismanagment is likely to result in direct political pressure from the local press and interest groups.
- The manpower delivery system in the Kansas City-Wyandotte County Consortium has been substantially revised by CETA. Clients enter through one of four central intake points operated by SER and OIC where they receive core services and are then placed directly in jobs or referred to some combination of manpower training provided by seven sponsors under contract with the prime sponsor. This design eliminates unnecessary duplication and permits better coordination of the various program sponsors.

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San Joaquin Consortium, California

John J. Mitchell*

This study presents the findings of the initial interview phase assessing the effects of the Comprehensive Employment and Training Act (CETA) on manpower programs in the San Joaquin Consortium. Information in this field study was gathered from November 1974 through February 1975. Data were obtained through interviews with manpower program administrators and elected officials in the city of Stockton and San Joaquin County, other officials in local government and education, representatives of community-based organizations (CBOs), and federal and state manpower administrators. Prior to the interview phase, economic and demographic data were obtained from federal, state, and local sources. Follow-up contacts have been maintained since the initial interview with individuals in the prime sponsor area, but this study deals primarily with manpower planning developments in the San Joaquin Consortium through February 1975.

Important developments in the prime sponsor area since February 1975 not discussed in this study include the opening of a central manpower facility in Stockton in June 1975 that houses many of the CETA program operators in or near Stockton, and a recent grand jury inquiry into the quality of services being provided to trainees by CETA contractors.

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SUMMARY OF FINDINGS

1. The economic environment in which the prime sponsor operates is undergoing a shift from an agricultural-agribusiness base to a more industrially diversified base. With this transition there is a change in the type of skills in demand. Manpower programs are recognized as one means by which the changing demand for labor can be satisfied and low-skilled and seasonal workers can be upgraded to enter permanent year-round positions.

2. The changing economic conditions are accompanied by political stresses. Agricultural interests allegedly favor the maintenance of a pool of underemployed seasonal workers to fulfill harvest-related demands for labor. Other forces want to widen the skill inventory of the work force not only to meet current needs but also to attract new industrial development. Full employment of seasonal workers would increase consumer demand locally and benefit the trade, services, and construction sectors. Organized minority groups are lobbying for upgrading and employability services for their constituencies. Others maintain that this may not produce the optimal allocation of manpower training resources.

3. The consortium inherited the city of Stockton's manpower expertise as the city manager and manpower staff retained a leadership role. The decision-making process is centered in the executive committee of the consortium's manpower planning council. The role of other members in this council is strictly advisory; they are divorced from any real decision making in the consortium. Elected officials on the executive committee participate in the decision-making process but tend to follow the advice and direction of the city manager and his manpower staff. Community-based organizations have become powerless in the

official planning process and have been excluded from membership on the manpower planning council on the grounds of conflict of interest.

4. The Manpower Administration Regional Office and the State Manpower Services Council (SMSC) have maintained a low profile in CETA planning. The SMSC has been much less significant in relation to San Joaquin manpower planning under CETA than the State Manpower Planning Council (SMPC) had been under the earlier Cooperative Area Manpower Planning System (CAMPS).

5. The local prime sponsor's decision to determine, through competition, who would provide manpower services has diminished the roles of the employment service (ES) and the vocational education agency and increased the role of community-based organizations.

6. Community-based organizations feel that they are able to do a better job for clients under CETA. Tighter accountability has forced efficient management and better controls on expenditures. They have found the city more prompt in responding to their requests than the Regional Office had been under the Cooperative Area Manpower Planning System. On the other hand, some CBOs feel their organizational integrity and public support eroding under CETA; they fear their individual organizations will be consolidated under a city-operated and administered program.

ECONOMIC SETTING

San Joaquin County, located in the delta region formed by the confluence of the San Joaquin and Sacramento Rivers, is one of the top five counties in the nation in gross income from agriculture. The city of Stockton is its county seat and is the largest city in the county. Lying at the geographical center of the county, it is the hub of the rail and highway transportation routes, linking the entire county with the San Francisco Bay area and the valleys to the north and south.

Historically, agriculture has been the major industry in San Joaquin County. As Table 1 indicates, the situation has been changing rapidly in the past decade due to the growth of government, trade, and manufacturing. Prior to World War II, little industrial diversification existed in the county, most workers being attached to agriculture or agribusiness. Since then, non-agricultural industries have been locating in the county, most of them in Stockton, the major commercial and employment center. As a result, the Stockton metropolitan economy is no longer based primarily on agriculture and the processing of agricultural products.

One of the major manpower problems in agriculture and agribusiness in San Joaquin County has been a shortage of agricultural workers at peak harvest periods. Formerly, the county depended heavily on imported labor from Mexico during the harvest season. With the end of the special legislation that permitted the importation of labor under contracts, a more or less permanent supply of supplemental labor at the peak harvest season was eliminated. It has been suggested by some in the local manpower field that powerful economic and political interests in San Joaquin County favor the maintenance of a pool of low-skilled, seasonal workers in the labor force to meet the demands of agriculture and agribusiness for short-term labor. However, other interests, including local manufacturers and economic development advocates, are attempting to upgrade the existing labor force to meet current and future nonagricultural labor demand. During agribusiness layoff periods, unemployed food processing workers constitute 30 percent or more of the total number of persons drawing unemployment payments in Stockton.

Seasonal workers from agriculture and agribusiness comprise a major segment of those participating in county manpower programs. Some manpower professionals have hypothesized that seasonal workers have unduly influenced the area's unemployment rate and thus increased the prime sponsor's Title I allocation. They believe that many seasonal workers in the food processing industry are not

TABLE 1. Stockton Labor Market Area, Annual Average Unemployment Rate and Percent Distribution of Employment by Industry Selected Years, 1960-1974[a]

Unemployment Rate and Distribution of Employment	1960	1962	1964	1966	1968	1970	1972	1974
Unemployment Rate	8.3	8.6	7.8	6.1	6.8	8.5	8.6	8.5
Percent of Total Employment:								
Agriculture	20.9	19.2	17.5	17.0	19.5	14.2	13.8	12.5
Manufacturing	14.4	14.4	14.7	14.2	14.1	16.2	16.6	17.3
Agriculture services and mining	.7	.6	.7	.6	.7	.6	.7	.8
Contract construction	4.3	4.5	4.8	4.2	3.5	3.2	3.8	3.6
Transportation, communication, and utilities	7.0	6.7	6.3	6.4	6.1	6.7	6.3	6.7
Trade	20.0	20.4	20.3	19.7	18.6	18.9	18.6	19.1
Finance, insurance and real estate	2.6	2.7	2.9	2.7	2.8	2.9	2.9	3.1
Services	13.3	14.0	15.0	14.9	14.9	13.5	13.9	14.9
Government	16.5	17.1	17.3	19.8	19.8	23.7	23.4	21.9

[a] Comprises all of San Joaquin County

interested in more than three to five months of employment per year. Employed in industries covered by the state's unemployment insurance system, many of these workers may be eligible to collect unemployment compensation for the remaining months during which they are laid off. Manpower professionals point to the moderate turnouts for Title VI jobs in an area with relatively high unemployment as evidence of low demand for full-time, year-round work by seasonal workers in the county.

Recent gains in labor force and employment in San Joaquin County have been in permanent year-round work and have been accompanied by a decline in seasonal employment. Residential, commercial, and employment expansion has been concentrated north of Stockton's central business district while most of the target population for manpower programs resides in the southern portion of the city. Retail trade in the central business district derives a large share of its revenues from welfare expenditures and the wages of seasonal labor. Most community-based organizations providing manpower services were located in or near the central business district; the new central manpower facility is also located in this area.

POLITICAL SETTING

Both partners to the San Joaquin Consortium--the city of Stockton and San Joaquin County--have strong public-administrator forms of government. The mayoralty of Stockton is rotated annually among elected city councilmen. The same rotational system is used by the county board of supervisors in designating the chairman of the board. No governmental jurisdiction other than Stockton and San Joaquin County is a party to the consortium agreement.

As formal bodies, neither the city council nor the county board of supervisors has a review or approval role on CETA issues in the prime sponsor area. However, two city councilmen and two county supervisors are members of the executive committee of the CETA manpower advisory council. In theory, they represent their respective governmental bodies and inform their fellow elected officials of developing decisions and their positions on manpower issues. In the San Joaquin Consortium, the city manager of Stockton and the San Joaquin County administrator have coequal responsibilities and authority as cochairmen of the manpower advisory council and the executive committee, which makes the final decisions.

Both public administrators are well respected in the community and are attuned to the political realities of the county. Although located in a large agricultural valley, Stockton's economy and political character are urban. Minority communities in the city have political and community representatives and have participated in the social and politcal struggles of the 1960s. The pre-CETA manpower programs had been politicized to a degree. Prior to CETA, community-based organizations had well-defined and vocal constituencies. There was a tendency for one minority group to accuse a CBO of favoring another in assessment, referral, training and job placement. Racial or ethnic imbalance on a CBO's board of directors, in executive positions, or in staffing caused suspicion among those in the minority community not "equally" represented.

CETA injected into this environment the element of competitive bidding for programs through the proposal process with the determination of provider of services made at the local level. Individual community-based organizations attempted to retain their previous manpower programs and to acquire new programs made available by additional funds under CETA. Some individuals associated with manpower in the county felt that the funding of CBOs not previously involved in manpower reflected the political pressures on the prime sponsor to give all minority group organizations a share of the CETA funds regardless of their proven effectiveness or staff experience.

Public administrators had also developed linkages among institutions, both formal and informal, which facilitated decision making and community involvement in manpower. Previous cooperative action between the city and the county had proven the feasibility of a consortium arrangement. The involvement of the school systems and vocational education agencies in local manpower planning and training programs was enhanced because the city's manpower director was also the president of the elected county school board.

CETA MANPOWER PLANNING

Manpower planning in San Joaquin County prior to CETA had two distinct periods of development. The first, 1967 to 1971, was characterized by minimal local impact under the Cooperative Area Manpower Planning System (CAMPS). The second period, from 1972 to the implementation of CETA in 1974, was one of heightened local involvement in manpower planning, of recognition by state and federal agencies of the manpower expertise present in city government, and of the acquisition of authority over program operators by the city of Stockton.

In 1967, the National League of Cities assisted Stockton to establish a manpower planning council, and San Joaquin County, which is coextensive with the Stockton Standard Metropolitan Statistical Area (SMSA), was a designated CAMPS area. This initial manpower planning council was the forerunner of the area's manpower area planning council (MAPC). Interest in manpower planning, however, was centered in the city of Stockton. Local leadership on the manpower planning council throughout the CAMPS period came almost entirely from the city of Stockton. Initially, the mayor of Stockton was the official chairman of the council. Later, the chairmanship was changed from the mayor to an appointed city councilman.

Throughout the late 1960s, the impact of local interest groups on Cooperative Area Manpower Planning System planning through the council was minimal. The chairmanship did not carry with it any policy- or decision-making power and was viewed as essentially an honorary position. The executive secretary of the council, an employee of the state employment service central office in Sacramento, established the agenda for the planning council meetings and indicated to the membership the directions manpower efforts in the area would take. The executive secretary was also a staff member of the State Manpower Planning Council.

Under CAMPS the San Joaquin County manpower planning council was essentially a powerless group that met periodically and, for some periods in the late 1960s, infrequently, Its main function was to serve as a community sounding board for the employment service, which controlled the Manpower Development and Training Act (MDTA) funds in the state, and for the Manpower Administration's Regional Office, which administered the remaining manpower categorical programs. Local manpower officials believed that the council prior to 1972 was a formality, and that planning in the CAMPS area was unaffected by local participation.

The meetings of the manpower planning council were mostly attended by representatives of manpower or manpower-related agencies and program operators in the area. During the period 1967-1970, membership on this council was open on a voluntary basis, and consisted of those in the community who had a professional interest in the manpower field. Prior to the city manager's becoming the chairman in 1970, the staff work for the council had been done by an employee of the local employment service office.

A number of recommendations on program mix, the allocation of resources, and the designation of target populations were formulated by the council prior to 1972, but the general feeling of those interviewed was that none was given serious consideration by the state and federal agencies coordinating the Cooperative Area Manpower Planning System. However, there was some evidence the local input may have been a factor in the phasing out of MDTA insitutional skill training in the county in 1969.

In 1970, the city of Stockton received an operational planning grant of $26,000 to develop internal manpower expertise. The grant required a plan of action to be developed and provided Stockton with the resources for significant inputs to the planning processes under CAMPS. Since the establishment of the manpower planning council, the city elected officials had not given high priority to manpower and had rarely attended meetings. In late 1970, the city manager of Stockton requested and obtained the chairmanship of the council. In mid-1971, the city applied for and received a $76,000 operational planning grant that was awarded on the basis of their previously developed plan of action. The funds were used to expand the city's manpower staff.

Early in 1972, the city hired a manpower director who reported directly to the city manager of Stockton. In mid-1972, funds were acquired through the Public Employment Program (PEP) to hire additional manpower staff. The San Joaquin County government during this period was also receiving PEP funds but lacked staff with manpower expertise and was trying to develop a manpower unit in its personnel office. Considerable cooperation existed between the county and the city on the administration of local public employment programs, with the city giving technical assistance to the county.

During 1972 the federal government-authorized representative for the Manpower Administration's Regional Office attempted to interest program operators and the city in an innovative agreement whereby program operators would surrender their sponsorships to the city, who would in turn subcontract the programs to them. The agreement was accomplished in early 1973 in preparation for the anticipated passage of a manpower revenue-sharing bill. The Regional Office representative was hired by the city as its manpower staff director in mid-1973 on an intergovernment personnel assignment. In this position he reported directly to the city's manpower director. In 1973, negotiations began between Stockton and San Joaquin County on the formation of a consortium, with the city's manpower director acting as intermediary; a joint powers agreement was reached in early 1974.

The transfer of the planning council chairmanship from city elected officials to the city manager in 1970 initiated a gradual but steady process of change. The city manager replaced open membership on the manpower area planning council with official appointments. He gave the planning staff role previously performed by the local employment service office to the growing manpower staff within the city government. During the period 1970 to 1973, the city manager orchestrated changes that eventually enhanced the role of the MAPC in the CAMPS planning process locally and consolidated authority in the chairmanship position. His use of city manpower staff intensified as their number and program experience increased. In 1973, the city manager as MAPC chairman acquired considerable authority coincident with the city obtaining sponsorship of most manpower programs in the area under the innovative agreement. The agreement had effectively put the city into the business of providing manpower services as a prime sponsor and subcontracting operations to local community-based organizations or local government agencies.

First Year Of CETA. The passage of a revenue-sharing manpower bill by Congress had been anticipated since 1972 by Stockton's city manager and his manpower staff. The innovative agreement negotiated by the Regional Office representative was meant to facilitate the shift of control of manpower programs from the state employment service and the Regional Office of the Manpower Administration to the local prime sponsor. The manpower institutions in the county that had been evolving since the 1960s were largely assimilated under CETA. An established city manpower staff experienced no transitional shocks since they remained attached to the city manager's office and continued to be responsible to him under CETA. Consequently, there was a relatively smooth transition in San Joaquin County from the Cooperative Area Manpower Planning System to CETA.

The geographical area under CETA, San Joaquin County, was identical to the CAMPS area. The formation of a consortium was seen by public officials as the logical response of the city and county to manpower problems since San Joaquin County is a single labor market with the target population largely residing in the central city. A cooperative relationship had developed between the two on manpower matters during the early 1970s. The consortium has so far proved to be a viable arrangement and is likely to be continued in the future. It permits the San Joaquin County government to participate in manpower planning without directly committing resources to it and allows the city to develop further its contact with those needing manpower services. The city manager felt that manpower was the only way the city could make a social service impact on the community.

CETA Manpower Planning Council. The consortium's planning council is called the Comprehensive Manpower Advisory Council (CMAC). It consists of a general membership of 27 representatives from business, labor, city and county government, the employment service, vocational education agency, other local agencies and community groups. The joint powers agreement changed the pre-CETA chairmanship to a dual, co-equal chairmanship with both parties to the consortium represented. The co-chairmen are the Stockton city manager and the San Joaquin County administrator. These co-chairmen appoint members to general membership on the CMAC and to ex-officio and ad hoc committees.

The council is governed by an executive committee composed of the Stockton city manager, the county administrator of San Joaquin County, two city councilmen and two county supervisors. The executive committee has veto power over the recommendations and proposals of the general membership of the council or any other ex-officio group in the council. Recommendations or proposals from council members, program operators or the community in general are transmitted through the council's planning and evaluation committee.

The outstanding difference in composition between pre-CETA and CETA planning councils is the absence of community-based organizations on the Comprehensive Manpower Advisory Council. The decision was made to exclude the CBOs on the grounds that their presence on the council would constitute a conflict of interest. The actual dynamics behind this decision are not clear, but the decision was made by the executive committee of the council with input from the city attorney and manpower staff. As a result, CBOs have organized an unofficial body to give their input to the council and the manpower staff. This non-council group is called the Program Operators Advisory Council.

The executive committee is the decision-making body in the consortium; the general membership of the Comprehensive Manpower Advisory Council and the planning and evaluation committee are strictly advisory groups. The manpower staff has significant input to the executive committee; staff recommendations have been approved by the executive committee when they conflicted with council membership recommendations. The general feeling among those involved in CETA is that few council members are well informed in the manpower field and that the manpower staff has considerable expertise. However, many of those interviewed outside the city government expressed dissatisfaction with the means being used by the manpower staff in accomplishing their goals. Few of these critics, however, disagreed with the staff's goals.

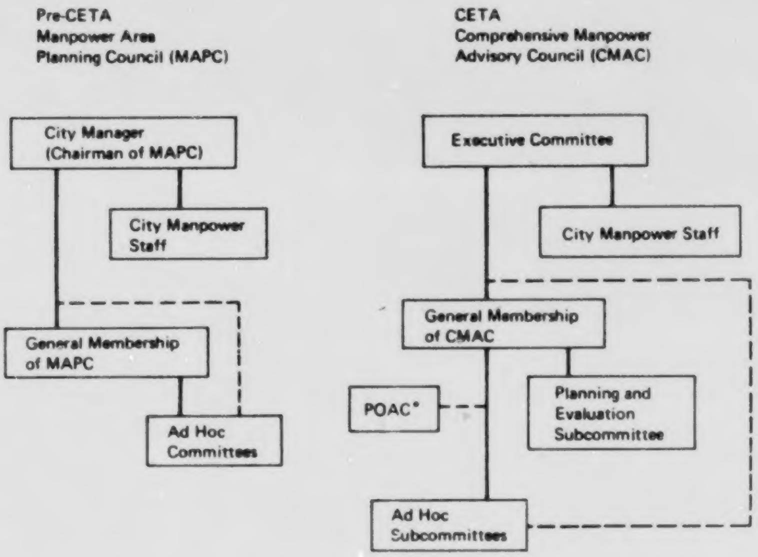
The elected officials and the county administrator on the executive committee were unfamiliar with manpower prior to their appointment. They were consequently inclined to follow the lead of the city manager and the manpower staff. Elected officials in the general membership of the council represent smaller cities and communities in the county that are not a party to the consortium. Their participation on the Comprehensive Manpower Advisory Council is required in order for their communities to obtain CETA funding.

With new program responsibilities in the city and the potential to affect local manpower programs, the city manpower staff developed a data system for local planning from local, state, and federal sources, during the period 1972 to 1974. The data system was utilized heavily during the Title I planning process and required minimal data requests to outside agencies. The staff also made in-house assessments of local manpower programs that had operated prior to CETA. These assessments were a major factor in the allocation of funds, the determination of contractors, and the eventual program mix decided upon by the executive committee.

Figure 1 presents graphically the organizational differences between the pre-CETA manpower area planning council and the CETA Comprehensive Manpower Advisory Council. While organizational changes have occurred, the actual decision-making process and the amount of influence possessed by participants has remained relatively unchanged since 1973.

ADMINISTRATIVE FUNCTIONS IN LOCAL GOVERNMENT

Prior to 1973 the city of Stockton had only administrative responsibility for the Public Employment Program in the city and contributed significantly in technical assistance to the county's PEP program. An agreement had been made that the county would allow city residents to participate in the county program in return for administrative assistance and support. In 1973, after the innovative agreement had been reached between the city and program operators, the city acquired administrative


Pre-CETA
Manpower Area
Planning Council (MAPC)
City Manager
(Chairman of MAPC)
City Manpower
Staff
General Membership
of MAPC
Ad Hoc
Committees
CETA
Comprehensive Manpower
Advisory Council (CMAC)
Executive Committee
City Manpower Staff
General Membership
of CMAC
POAC*
Planning and
Evaluation
Subcommittee
Ad Hoc
Subcommittees

*Program Operators Advisory Committee

FIGURE 1 San Joaquin-Stockton Area, Planning System Prior to CETA and Under CETA

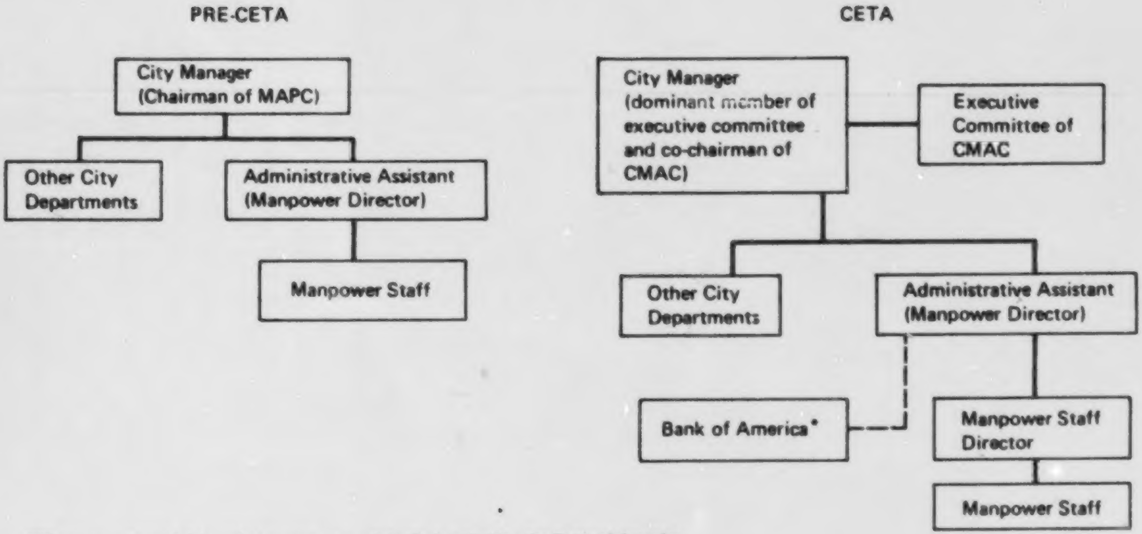
responsibility for most manpower programs in the area. The structure of the administration was very similar to that now found in CETA, and the flow of responsibility is shown in Figure 2.

The CETA administrative functions not related to the manpower staff, such as accounting, payroll, and personnel matters, were integrated into other units of the city government. Many of these functions as they related to manpower programs had been introduced to these city departments in 1973 and did not cause administrative problems during CETA implementation.

Program Mix and Content. Title I planning in the first year of CETA was heavily dependent on the Cooperative Area Manpower Planning System's plans for the prime sponsor area and the experiences and past performance of pre-CETA programs. Although the manpower staff supporting the council had been established as a unit for a number of years and underwent no transitional shocks, time constraints did prohibit extensive changes from being made to the pre-CETA program. City officials felt that with more lead time they could have implemented in the first year what is now scheduled for the second year of CETA.

The mix of programs initially implemented under CETA was not changed drastically from the mix in fiscal 1974. The prime sponsor received a net increase in manpower funds under CETA, which permitted it to expand some programs, to bolster underfunded programs, and most recently to introduce new programs. Prior to CETA, three community-based organizations in San Joaquin County were providing manpower services: the San Joaquin Community Action Council, the Opportunities Industrialization Center (OIC) of San Joaquin County and Project Identity. Under CETA, these were joined by the Philipino Bayanihan and the Concilio. These Philipino-American and Mexican-American organizations had very little previous experience in the manpower field.

The placement-related services provided by CBOs had been underfunded prior to CETA; the components received increased funding under CETA. The Neighborhood


PRE-CETA
City Manager (Chairman of MAPC)
Other City Departments
Administrative Assistant (Manpower Director)
Manpower Staff
CETA
City Manager (dominant member of executive committee and co-chairman of CMAC)
Executive Committee of CMAC
Other City Departments
Administrative Assistant (Manpower Director)
Bank of America*
Manpower Staff Director
Manpower Staff

*The management information system was originally handled by the Bank of America.

FIGURE 2 San Joaquin-Stockton Area, Manpower Programs Administrative Structure, Prior to CETA and Under CETA

Youth Corps (NYC) out-of-school component in the Community Action Council had been a marginal program before CETA and is now expected with increased funding to make a greater impact on its youth target. Project Identity, rather than serving the general disadvantaged population in Stockton as it had done before CETA, was authorized under CETA to operate an intensified program for ex-offenders and persons with drug and alcohol problems. The Philipino Bayanihan was given funds to help the Spanish-speaking underemployed and unemployed, especially those in the Philipino community. It also worked with the Concilio, a Mexican-American group that previously had been sponsored by the Catholic archdiocese to provide manpower services to the migrant workers in the county under Title III funding. Migrant workers had not been the specific target of a manpower program in the county (besides the Rural Manpower Service) prior to CETA. A new woman's program designed to improve the employability of minority females in the labor force was being initiated by the Community Action Council. Table 2 lists the pre-CETA and CETA programs in the consortium.

The Decision-Making Process. The decision-making power in the consortium resides in the executive committee of the Comprehensive Manpower Advisory Council. Committee members receive inputs from the general council membership, the planning and population committee, the manpower staff and, to a limited extent, the Program Operators Advisory Council. The dominant member of the executive committee is Stockton's city manager. He has had considerable manpower experience, more than any of the other executive committee members and thus influences their perspectives. The manpower staff reports to the city manager within the city government structure; he is thus kept abreast of developments and shapes recommendations prior to their submission to the executive committee. The executive committee tends to follow manpower staff recommendations, even when they differ from the planning and evaluation committee's recommendations. The decisions on policy seem

TABLE 2. San Joaquin Consortium, Department of Labor-Funded Manpower Programs by Sponsoring Agency, Prior to CETA and Status Under CETA

Program	Sponsoring Agency pre-CETA	Subcontractor under CETA
	Local Government Agencies	
NYC in-school	Stockton Unified School District	Same
Summer youth	Stockton Unified School District	City of Stockton
MDTA Section 241 institutional	Stockton Unified School District	Discontinued
Emergency Employment Act	Stockton and San Joaquin County	Same
	State Government Agencies	
MDTA institutional	Local employment service office	Discontinued
MDTA individual referral	Local employment service office	Same
MDTA JOP[a]	Local employment service office	Discontinued
	Non-Profit Organizations	
Classroom skill training	Opportunities Industrialization Center	Same
NYC out-of-school	Community Action Council	Same
NAB/JOBS[b]	National Alliance of Businessmen	Chamber of Commerce
Operation Mainstream[c]	Community Action Council	Same
Ex-offenders, Drug, and Alcohol Abuse Program	None	Project Identity
Migrant Workers Program	None	Philipino Bayanihan and the Concilio[d]
Women's Employability Program	None	Community Action Council

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a/ MDTA Jobs Optional Program (on-the-job training).

b/ Job Opportunities in the Business Sector (on-the-job training).

c/ Work experience program for poor adults especially in rural areas.

d/ Funded under Title III of CETA.

therefore to be formalized in the executive committee but are informally reached through the interaction of the city manager and the manpower staff. The staff in making recommendations on the service delivery agents first assessed the past performance of program operators using available evaluative data; second, assessed the experience and performance of those requesting responsibility for the programs; and third, considered the comparative costs of programs of proposed service delivery agents.

THE CETA SERVICE DELIVERY SYSTEM

The Local Employment Service Office. The state employment service has few allies in the county. Most of those interviewed felt that individual ES employees were competent and cooperative and considered the ES as the logical provider of job development and placement services. Most felt that it should be called upon for referral and processing of applicants; however, its bureaucratic structure, cumbersome regulations, frequent shifts in policy, and past performance had generated criticism by the Comprehensive Manpower Advisory Council, the executive committee, the manpower staff, and the community. In addition, a very public personality conflict had existed between the local ES office manager and the manpower staff director, As a consequence, the role of the ES in the CETA plan had been minimized.

The local employment service office under the Cooperative Area Manpower Planning System had been the local sponsor for all MDTA programs and had been given a leading role in programs funded through the Manpower Administration Regional Office. As the city's influence in manpower increased, participation by the ES in the Neighborhood Youth Corps programs, Operation Mainstream, and summer youth programs became more defined and limited, and assessments of ES performance by the Stockton manpower staff more critical. A number of organizational and communication errors made in the summer youth programs discredited the ES office with community groups and the city's manpower staff. The general feeling was that the ES was unable to work with disadvantaged youth in the area, and during 1973 and 1974 the Youth Employment Service, funded through the city, was switched from the employment service to the Community Action Council.

Local prime sponsor competitive determination of manpower service deliverers has diminished the role of the employment service in the San Joaquin Consortium. It now provides only individual referral and on-the-job training services under CETA and occasionally is called upon for processing activities, such as summer youth enrollment and Title VI job applications. The local office of the state employment service is still perceived by the staff of community-based organizations as a valuable resource for labor market information, job development assistance, and job placement for trainees.

The Vocational Education Agency. The local vocational education agency did not actively seek a role in CETA, although it did submit some proposals. Vocational education administrators were hesitant about entering into a joint venture with manpower professionals. They felt that their perspective on the world of work and their long-term goals were different from the views of those in the manpower field. They expressed the opinion that manpower representatives sought the easiest and most expedient solution to manpower problems and did not want to make the necessary investment in human capital required for the movement of the disadvantaged, low-skilled, or youth into fields in which career development was possible. As a consequence, the vocational education administrators had made half-hearted proposals and were relieved when they were not accepted.

Another group of vocational education professionals consisting of skill trainers and program administrators under MDTA believed in joint action by vocational education, manpower, and economic development agencies. They generally agreed on long-term classroom skill training, but not as it had operated under MDTA; they were discouraged by the limited, short-term skill training that qualified workers for dead-end, low-paying jobs.

This small group, however, had no authority or support in the Comprehensive Manpower Advisory Council and their opposition to manpower staff recommendations caused some friction between the manpower staff and the vocational education advocates.

The Community-Based Organizations. The community-based organizations in San Joaquin County were active prior to CETA in manpower planning activities and program operation. Prior to 1974, three of them--the Community Action Council, OIC, and Project Identity--operated manpower programs. After 1974 the Philipino Bayanihan, which had previously been concerned only with social services and cultural identity, became involved to a limited extent in manpower.

The Community Action Council has retained its previous programs, Neighborhood Youth Corps out-of-school and Operation Mainstream, and has expanded into the Youth Employment Service, a National Council on the Aging Older Workers Program, and a program for women. Project Identity has increased funding for specific manpower services under a drug and alcohol abuse and ex-offenders program. OIC received less funding for its clerical training program in the first year of CETA than it had in fiscal 1974, but has an expanded manpower component for placement-related services. A new organization in the manpower field in the county, the Concilio, has been working with the Philipino Bayanihan on a migrant workers program and has also been given a manpower component.

Those community-based organizations that were also program operators participated regularly in planning council meetings under the Cooperative Area Manpower Planning System. They continued this active participation as members of the Manpower Advisory Planning Council until the implementation of CETA. At that time, a decision was made by the city and county in forming the consortium that CBOs that were providers of manpower services under CETA could not be members of the Comprehensive Manpower Area Council because of a conflict of interest. Considerable protest from program operators resulted, but due to the political power in the consortium and pending decisions on which of them would be providing what services, CBOs chose not to lodge a formal appeal. Instead, as noted earlier, they formed a Program Operators Advisory Council, which was not a part of the CMAC, but through which they hoped to communicate with the CMAC membership and the manpower staff.

CONCLUSION

The implementation of CETA in the San Joaquin Consortium was accomplished with relatively few operational or administrative problems. In effect, the innovative agreement reached in 1973 had permitted the city of Stockton to become the prime sponsor of most manpower programs in the county prior to the actual passage of CETA. The city had developed over time an experienced manpower staff that was a critical resource available and operational when CETA became law. Public administrators in key manpower decision-making positions in the prime sponsor were seasoned professionals. The manpower director had been the Job Opportunities in the Business Sector (JOBS) director in prior years and had formal and informal linkages with many of the institutions in the county that were essential to the implementation of a comprehensive manpower program. The staff director had been the area's previous representative from the Manpower Administration Regional Office; he provided valuable insights into federal needs and requirements during the proposal, funding, planning, and reporting phases.

Local control of manpower programs entails possible entanglements with community and economically interested groups and the politicizing of the planning, funding, and assessment functions. Some manpower professionals in the county are skeptical of the process by which service deliverers are chosen and by the way in which their efforts in the field are evaluated. However, it appears that program monitoring and accountability have tightened under local control compared to the pre-CETA situation, and that local involvement in manpower planning has become a reality.

8

North Carolina Balance of State

Alvin M. Cruze*

The North Carolina balance-of-state (BOS) prime sponsor was one of ten CETA prime sponsors in North Carolina during fiscal 1975. The balance-of-state prime sponsor is responsible for 88 of the state's 100 counties. The counties contained approximately 60 percent of the state's 1970 population of 5,082,000.

This report focuses primarily on activities that occurred in the fiscal 1975 planning cycle and during the initial stages of CETA operations in the balance-of-state area. Brief summaries of relevant activities that occurred during the 1976 planning cycle are also provided and major differences are noted. However, no summary of the final outcomes of the 1976 planning cycle is provided since the data and analyses contained in this interim report are for the period through March 1975 only.

IMPACT OF CETA ON MANPOWER PLANNING

Local Planning System. State and local manpower planning has been an annual undertaking in North Carolina since 1968, and until January 1972 it was the responsibility of the Cooperative Area Manpower

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*Center for the Study of Social Behavior, Research Triangle Institute, Research Park, North Carolina.

Planning System (CAMPS) committee and its local counterparts across the state. However, during that period the shortcomings and inadequacies of the CAMPS system were recognized so that most participants viewed the entire process as little more than a paper exercise.

Recognizing those inadequacies and anticipating a growing need to meet the manpower needs of the state's citizens in the future, the 1971 state General Assembly established the North Carolina Manpower Council as the state's primary agency for the planning and coordination of manpower development programs and as the state's sponsor for federal manpower programs. State funding was provided to support council operations and to furnish the full-time services of an administrator. In May of that year, the state established multi-jurisdictional ancillary manpower planning boards in rural sections and manpower area planning councils (MAPCs) in urban areas in response to requirements issued by the Department of Labor (DOL) and cooperating federal agencies.

When fiscal 1974 planning began, 16 multi-county ancillary manpower planning boards were in place. The geographic areas served by them corresponded with the state's official multi-county planning regions. Manpower area planning councils were organized in three cities and in one of the 17 planning regions. With the passage of CETA, all areas formerly served by the MAPCs became prime sponsors. During the fiscal 1975 planning cycle, the 16 AMPBs participated in substate planning activities for the North Carolina balance-of-state prime sponsor.

The balance-of-state planning staff in the central office of the prime sponsor decreased from six at the time of the passage of CETA to three in late 1974 when three of the six planners transferred to program implementation and coordination functions. However, the BOS prime sponsor provided funds through a contract with the state's Office of Intergovernmental Relations to support a human services planner in each of the 16 subareas of the state, each of whom reports to the executive director of his lead regional organization. Therefore, for fiscal 1976, a staff of 19 was available for CETA planning activities.

The 1971 legislation establishing the North Carolina Manpower Council stipulated that the state Department of Administration provide the necessary administrative and staff support. That arrangement continued after the passage of CETA, with the administrative staff reporting to the CETA administrator, who in turn reports to the secretary of the Department of Administration, an appointee of the governor. In January 1975 the staff unit's title was changed from the North Carolina Manpower Council to the Office of Manpower Services. That office is charged with the responsibility of administering manpower programs mandated under both state and federal law and generating manpower policy options consistent with the state's overall goals for human resources and economic development. The total staff of the Office of Manpower Services had increased to approximately 25 at the beginning of 1975.

Both the pre-CETA manpower council and the balance-of-state manpower planning council under CETA were appointed by the governor; with a change in the state's administration, however, they were appointed by different governors. No individuals have served on both of the bodies.

The pre-CETA manpower council consisted of 12 members, eight representing business or industry (including the chairman), one representing labor, two representing community-based organizations (CBOs), and one from an academic institution. The CETA balance-of-state manpower planning council has 15 members with representation as follows: state public agency, four;[1] local public officials, two; business or industry (chairman), one; labor, two; community-based organizations, two; client groups, three; and other, one. The major impact of CETA has been to include public agencies and client groups on the planning council.

The only controversy over planning council representation concerned an appropriate representative of the community-based organizations. The council as originally appointed in May 1974 included an administrative official of a model cities program who was designated as such a CBO representative. However, the regional office of DOL ruled that individual inappropriate as a representative of CBOs, a ruling consistent with the feelings of community-action agencies (CAAs) throughout the state. To rectify the situation a CAA executive director was appointed to the council in October 1974 when a vacancy among the original appointees occurred.

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[1] These individuals are the chairman of the Employment Security Commission; the president of the Department of Community Colleges (the CETA vocational education agency); the secretary of the Department of Administration; and a representative of the Department of Human Resources.

The method of appointing substate planning councils has changed quite significantly during the first year. In the pre-CETA period and during the 1975 planning cycle, those councils were not closely linked with the lead regional organizations in the state's multi-county planning regions. However, effective December 1974, those regional manpower advisory councils were to be appointed by the governing boards of lead regional organizations and were to serve as advisory bodies to these boards. The 15-member regional councils consist of five local elected officials or board members of lead regional organizations, five manpower program clients, five representatives of business, industry, and organized labor, and representatives of segments of the region's economy judged to have impact on regional training needs and employment patterns. A maximum of five nonvoting members may serve on the regional manpower advisory councils, representing the employment service, the community colleges and technical institutes, and other agencies such as community-based organizations.

During the first year, the scope of activities of the CETA balance-of-state manpower planning council changed very little from pre-CETA. One exception is that the CETA BOS manpower planning council has been involved in decisions concerning service deliverers. However, as discussed in more detail below, the impetus for that came from the governor's office, not from the council itself.

Similarly, the activities of the substate planning bodies continued largely unchanged from the 1974 to the 1975 planning cycles--the same individuals were performing advisory functions. Program recommendations were developed by subarea councils, who relied on fairly limited amounts of technical assistance from the BOS prime sponsor staff in Raleigh. Local elected officials did not participate in substate planning activities to any significant extent during either year. However, their participation is expected to increase significantly by virtue of their membership on the regional manpower advisory councils.

Manpower program decision making in the balance-of-state has changed significantly with the passage of CETA. In the year prior to CETA (fiscal 1974) decisions with respect to allocation of funds, program mix, and clients were made by the state manpower council with little or no involvement of the governor. Those decisions were based on recommendations from the various ancillary manpower planning boards, but the final authority was clearly that of the state manpower council.

After passage of CETA, the locus of decision making shifted from the council to the governor. Recommendations were made to the governor by the manpower planning council, based on recommendations by the 16 ancillary manpower planning boards that continued to participate in fiscal 1975 planning. However, the governor changed those recommendations, placing more emphasis on skill training programs and less on work-experience activities. All individuals surveyed during this first interview wave confirmed that the governor made the key decisions under CETA, and they cited the distinct change in the decision-making responsibility from the pre-CETA situation.

There was no change with respect to the allocation of funds to substate areas. The same allocation formula was used for fiscal 1975 CETA Title I funds that was used in the previous year's planning cycle. Funds were allocated according to three factors--the number of unemployed, the size of the labor force, and the number of persons in poverty.[2] An additional factor, the ability of a substate area to meet its manpower needs from its own resources, is also included in the formula. That factor (per capita personal income) is used in an inverse manner, with areas of low per capita personal income relative to the balance-of-state average receiving a greater share of funds than they would have under the three-factor formula, and areas with relatively higher income receiving a smaller share.

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[2] The difference from the basic CETA allocation formula, which uses the previous year's funding level as one of its factors, should be noted. The CETA administrative staff feels that its substate allocation formula provides an increased flexibility to respond to changing economic conditions.

There were no clearly articulated policies with respect to a program mix to guide the ancillary manpower planning boards throughout the planning process. However, in May 1974 the governor's office issued a position paper on intergovernmental human services programs, which had a significant policy impact on the CETA planning process.

The basic objective of that policy was to give each of the 17 lead regional organizations the opportunity to establish a regionally based human services delivery system for state-administered federal programs in manpower, child development, family planning, aging, and nutrition. Policies for each region were to be decided by locally elected officials, and the governing board of the lead regional organization was given the right of first refusal in the establishment of an areawide human services delivery system. Furthermore, priorities for service delivery were to be given to agencies of local government that were already administering human services programs.

The principal impact of that policy was to curtail the role of the community-action agencies in their delivery of human services programs. The state association of CAAs filed suit against the governor, charging that the policy discriminated against the CAAs by giving first priority to units of local government. An out-of-court settlement was reached, however, and the CAAs and other qualified organizations were provided equal opportunity to compete for service delivery, based on their ability to provide these services effectively and efficiently.

The CETA Title I planning document produced through substate area planning was basically the same as the fiscal 1974 plan, although some changes in service delivery agents were made. The opinions expressed during the interviews suggested that there was insufficient time during the planning process to undertake major changes in program mix and program delivery agents.

In general, planning proceeded more on the intuition of what was best for the state and on the feeling that the continuation of a familiar course of action would be prudent in the first year of CETA.

State Planning System. As discussed above, prior to the passage of CETA, the North Carolina Manpower Council was responsible by state legislation for planning and coordinating manpower programs throughout the state. However, in practice the manpower area planning councils planned programs in their areas of responsibility, and the manpower council and its staff planned programs in the balance of state. Although there was considerable interchange of information among the MAPCs and the manpower council staffs, a comprehensive plan for the delivery of manpower services in a coordinated manner throughout the state was never developed. The State Manpower Service Council (SMSC), charged with the responsibility of overseeing and monitoring the activities of all prime sponsors under the CETA legislation, should be able to address that problem.

The State Manpower Services Council is a 24-member body, consisting of the 15 members of the balance-of-state manpower planning council plus a representative of each of the nine other CETA prime sponsors in the state. There have been no problems with representation on the SMSC, although poor attendance at meetings resulted in the replacement of some prime sponsor representatives. The chairman of the BOS council is also the chairman of the SMSC, and the same staff services both councils.

The authority of the State Manpower Services Council seems limited in several respects. It has not chosen to exercise much authority over the non-balance-of-state prime sponsors with respect to monitoring CETA program operations. The SMSC functions primarily in a review and approval mode, similar to that of the BOS council. Fiscal 1975 plans of all prime sponsors were reviewed perfunctorily. No services are being provided to other prime sponsors, no coordinated plan for supportive services has been developed, and only limited monitoring of other prime sponsor activites has been undertaken.

One of the major functions of the State Manpower Services Council is reviewing and approving applications for the governor's 4-percent grant. However, its authority with respect to that function is also somewhat limited, as no overall allocation policy has been developed and final decision-making authority rests with the governor.

At the state level, CETA planning appears to be more relevant to the decision-making process by virtue of the fact that the governor is actively involved. In addition, key state-level officials are included as members of the balance-of-state manpower planning council and the State Manpower Services Council, whereas they were excluded from the pre-CETA North Carolina Manpower Council. Community-based organizations and client groups are also involved in this process by virtue of their membership on those councils.

However, the main impact of CETA on planning at the state level has been the governor's assumption of responsibilities under the legislation and involvement in reprogramming CETA funds to meet the manpower needs of the state's residents as they have evolved throughout the year. Thus, viewed from the criterion of decentralization, CETA has had a significant impact on the ability of the governor to reprogram CETA funds in response to the changing economic conditions in the state.

Fiscal 1976 Planning Cycle. There are preliminary indications that the state was better prepared to develop a comprehensive plan during the fiscal 1976 planning cycle. Thus the meaningful impact of CETA on the planning process may have been delayed a year from the date of initial implementation. Although a thorough review of the fiscal 1976 planning process is not within the scope of this interim report, highlights of fiscal 1976 planning activities through March 31, 1975 are summarized below in order to indicate the nature of the changes that have been made since the previous year's planning cycle.

First, and perhaps most important, each of the participants in the fiscal 1976 planning process has benefited from one year's experience with the CETA program in its planning and implementation cycle. The staff of the balance-of-state prime sponsor has been expanded significantly, both with respect to numbers and capability. The governor's policy on regional human service delivery, effective since July 1974, is the basic framework for substate or regional planning for manpower as well as other human services.

Through the structure of the regional manpower advisory councils, the participation of local elected officials should increase during the fiscal 1976 planning cycle. However, some of the substate planners are not yet completely familiar with CETA concepts and philosophies. Their understanding of these matters will undoubtedly improve as the planning cycle proceeds.

Perhaps most significant is a substantial change in structure from that employed during previous cycles. The planning process for fiscal 1976 has been developed as a series of dialogues between the balance-of-state prime sponsor's staff and the 16 substate planning regions.

Planning guidelines were distributed to the regions in January 1975. By late February, the regions responded with first-round draft plans for CETA Title I activities in fiscal 1976. The first section of those plans comprised a statement of regional manpower policy and of the purpose of CETA programs within this policy. The second section described economic conditions in terms of the demand and supply of labor. In another section each region compared the actual and desired conditions, and proposed changes in the use of CETA funds in terms of impact on undesirable conditions.

During March 1975 the prime sponsor's staff reviewed and analyzed the regional draft plans and worked with the balance-of-state manpower planning council to prepare a response to each of the regions. During late March and early April, the lead regional organizations' human services planners, working with the regional manpower advisory councils and the governing boards of the lead regional organizations, were scheduled to prepare second drafts to be reviewed and incorporated into the North Carolina BOS prime sponsor's Title I plan.

Consistent with that process, a revised formula for allocating Title I funds to the 16 substate planning areas was approved by the balance-of-state manpower planning council at its March meeting. The format provides for funding to be determined on the basis of two components--input and output--with 90 percent of the Title I funds distributed on the basis of the input criterion and up to 10 percent distributed on the basis of the output criterion.

The input criterion is the same as that used in the fiscal 1975 planning cycle. Each region's share will be calculated by determining the region's share of the labor force, unemployment, and persons in poverty relative to the entire area. These shares are next adjusted by an inverse ratio of the region's per capita personal income relative to the per capita personal income for the entire balance of state. Each region may receive additional funds up to 10 percent of its input allocation on the basis of how well it plans to serve its target population.

There are two basic sets of criteria for establishing output allocations. The first is the ability of the region of substate area to develop a logically consistent plan with regional policies and standards directed toward a comprehensive program mix. The second is the manner in which the plans utilize and support other human service programs, contribute to statewide goals, integrate program components, and include adequate flexibility to permit program and corrective action as the economic situation changes.

Although it is too early to assess the impact of that change in allocation procedures, the approach represents a bold new thrust for public service program allocation in North Carolina. Although the output criterion is a step in the right direction, it may tend to reward ability in preparing a plan or "grantsmanship" instead of more effective program performance. However, the basic principle of allocating funds on results or outputs has been established, a principle that can be extended in the future to output measures more directly related to program performance.

MANPOWER PROGRAM ADMINISTRATION UNDER CETA

Local Government. Prior to the passage of CETA, only an Operation Mainstream program was administered by a local government agency in the balance of state. That agency was not a single local government, but was a council-of-government type of agency. Other programs were administered by regional and state agencies with no direct administrative involvement of local governments. Under CETA, the only major change in the local government administration of manpower programs is that some programs formerly operated by the community-action agencies (work-experience programs) are now administered by the lead regional organizations and are, in some cases, being continued by CAAs under subcontract.

Under the governor's policy on regional human services delivery, the lead regional organizations were given an opportunity to administer human services programs, including manpower programs.[3] Despite this policy, lead regional organizations during fiscal 1975 have been restricted to work-experience programs since the North Carolina Employment Security Commission (ES) and the community college system had a single contract in the balance-of-state area to administer skill training programs. Twelve of the 16 eligible lead regional organizations chose to administer work-experience programs. These 12 have subcontracted with 17 community-action agencies, three boards of education, two local government agencies, and one community-based organization. In addition, the prime sponsor has separate work-experience contracts with five CAAs, one board of education, one local employment service office, one county government, and one Opportunities Industrialization Center (OIC).

Administration (planning, budgeting, grant management, overall and contract supervision, fiscal accounting, reporting) for the balance-of-state prime sponsor is handled centrally in the Office of Manpower Services of the State Department of Administration. Fiscal operations for the CETA grant are handled through the Office of the Comptroller of the Department of Administration, which has a staff assigned to the CETA program.

[3] However, it cannot be stated that the policy was implemented solely in response to CETA because other human services programs are included within its framework.

According to information collected during this first interview wave, the administrative staff experienced only normal startup problems with respect to their new responsibilities with the passage of CETA. No major problems were noted.

Under CETA, elected officials do not participate extensively in the administration of manpower programs; that finding is not significantly different from the pre-CETA situation. However, under CETA, manpower programs are being brought closer to local political processes by virtue of the participation of elected officials on the BOS manpower planning council and the State Manpower Services Council and through the elected officials' involvement on the governing board of lead regional organizations and regional manpower advisory councils. Respondents stated that manpower programs, particularly in recent periods of high unemployment, are becoming more responsive to the needs of the people and the elected officials. The programs provide both the opportunities and flexibility necessary to meet pressing needs at this time. However, during the initial interview wave, it was not possible to determine whether the level of local support for manpower programs has been significantly affected.

State Government. The governor's immediate office appears to be more aware of the objectives and the importance of manpower programs under CETA than did the previous administration. The governor thinks that one of the primary advantages of CETA is its flexibility with respect to program adjustments throughout the fiscal year. He has taken advantage of this flexibility, particularly with respect to reprogramming funds for public service employment during the recent periods of high unemployment in the balance of state.

The relationships between the Office of Manpower Services and the state agencies that traditionally handle manpower programs (i.e., the employment service (ES) and the Department of Community Colleges) seem to have been strengthened under CETA. The CETA administrator felt that the ES would have adequate resources under its CETA subcontract to carry out the functions for which it is responsible. These contractual arrangements seem to have resulted in increased mutual respect and an appreciation of the problems to be addressed.

With respect to state/local relationships, there have been no problems because each prime sponsor is represented on the State Manpower Services Council. The main problem arising between the state agencies and local governments in administering the balance-of-state programs concerns the role of the lead regional organizations. As mentioned above, the problem transcends CETA programs and concerns the overall function of those agencies--planning only, or planning and service delivery. Other potential problems, such as those dealing with the allocation of resources to substate areas and membership of local units on the BOS manpower planning council, and the influence of the state administration in making substate decisions, were not cited during the initial interview wave.

In summary, the state has a significantly larger role in the balance-of-state area under CETA than it had prior to the passage of CETA. The state is now more actively involved in administering and planning manpower programs. The primary area of increased involvement has been the review of program operations and the reprogramming of funds to meet the changing needs of the state's citizens during periods of high unemployment. That flexibility, initiated by the prime sponsor, was simply not possible prior to CETA.

Regional Office. Prior to fiscal 1974, the Regional Office of the Manpower Administration was primarily involved in the allocation of funds to various Neighborhood Youth Corps (NYC) program sponsors in North Carolina. However, for fiscal 1974, the Regional Office accepted the North Carolina balance-of-state plan as written. During the first CETA planning cycle, the Regional Office was involved in the prime sponsor's planning process through frequent meetings with the CETA administrator's staff and by being informed of key policy decisions that were being developed (e.g., the role of the lead regional organizations in manpower program service delivery). However, the Regional Office only reviewed CETA decisions, and did not appear to influence the local decision-making process, nor did it provide any substantive comments to the prime sponsor's plan.

Although more paperwork is required under CETA for grant application and financial and statistical records, the prime sponsor feels that these requirements are not excessive.

Since the approval of the CETA Title I plan, the Regional Office has been involved in technical assistance and monitoring activities. Representatives of the Regional Office attend meetings of both the State Manpower Services Council and the balance-of-state manpower planning council. The Regional Office did express concern over the prime sponsor's delay in executing nonfinancial agreements with the nine local prime sponsors in the state and over the governor's failure to provide a plan for the expenditure of the 4-percent grant funds. The prime sponsor feels that the Regional Office is serving the role intended by the CETA legislation and that control over local programs has shifted from federal to local authorities. The Regional Office is viewed as being most responsive to local problems, and cooperative to the prime sponsor is providing requested technical assistance in a timely and effective manner.

CETA AND MANPOWER DELIVERY SYSTEMS

Employment Service. Prior to the passage of CETA, local employment service officials participated in the area planning system through membership on ancillary manpower planning boards, often by chairing them. In many cases, ES officials wrote the ancillary manpower planning board plans, a role that continued essentially unchanged during the fiscal 1975 planning cycle. During both the fiscal 1974 and 1975 planning cycles, local ES offices within the balance-of-state area provided critical elements of labor market information, particularly data relating to skill shortage occupations for which training programs should be developed. In addition, during the fiscal 1975 planning process the ES office provided local offices with guidance and information to be used in developing estimates of administrative costs of ES participation in the CETA programs at the local level.

Local employment service offices actively sought a role in CETA by offering their services to prime sponsors throughout the state. Those local activities were undertaken pursuant to the CETA position statement issued by the state ES office. That position paper outlined the agency's interest in contracting for comprehensive manpower programs but not initiating action that would result in responsibility for programs currently operated by other organizations. The interest on the part of local ES officials was further developed in two ways: materials provided by the state office could be used in developing local office cost estimates; and training sessions on the purpose of CETA and the potential ES role were conducted throughout the state by state officials.

The employment service role in state-level manpower planning activities has changed significantly under CETA. As discussed above, the agency is represented on both the balance-of-state manpower planning council and on the State Manpower Services Council, whereas it was not represented on the pre-CETA state manpower council. However, the agency did not provide the staff to support state manpower planning activities either prior or subsequent to the passage of CETA. Although the agency is now represented on the BOS manpower planning council, its role in manpower planning activities has decreased in one respect. Prior to the passage of CETA, the state ES office prepared the statewide Manpower Development and Training Act (MDTA) plan. Now the state office provides planning advice only, since final decisions under CETA are made by the governor.

Because the employment service program delivery role has changed little since CETA, the agency's relationship with the governor's office regarding CETA manpower programs has exhibited little change. However, in a broader sense, the ES has probably developed a closer relationship with the governor's office since the passage of CETA because of the problems created in processing the rapidly increasing unemployment insurance claims. Evidence of that strengthened relationship is provided by the fact that the first priority for state-level CETA Title VI jobs was to provide additional employment service staff to process unemployment insurance caseloads.

Throughout the balance-of-state area, the employment service does have major administrative responsibility since it administers a single contract of approximately

$9 million to provide the intake, testing, counseling, and referral services for the classroom training activity and for developing on-the-job training (OJT) activities with private employers. In addition to performing the services for the classroom training program, the ES makes stipend payments through the unemployment insurance system to classroom training participants upon certification of enrollment by the appropriate educational institution. In the majority of cases, the CETA training facility is a local institution in the community college system, so in essence there is no change in that arrangement from the procedures for administering MDTA programs prior to the passage of CETA.

Local employment service offices operated a small number of programs directly--Neighborhood Youth Corps in-school and a multi-county Concentrated Employment Program (CEP)--in the balance-of-state area prior to the passage of CETA. That role continued unchanged during the first year of CETA operation. A local ES office also operated a summer youth program during the summer of 1974.

Throughout the entire state, the role of the employment service has been reduced somewhat, particularly with respect to the selection of CETA clients. For three of the non-balance-of-state prime sponsors, the local ES offices provide a complete range of services for training programs. In another prime sponsor area, the ES is performing all services except those connected with public service employment. However, in two prime sponsor areas, the agency is providing no contractual services, although it is providing some referrals. Situations in the other prime sponsor areas are mixed, with the ES providing varying levels of service. In terms of dollar volume and clients served, the ES role throughout the state has expanded under CETA. However, in terms of functions and activities, the agency's role has decreased.

Vocational Education Agency. The role of the traditional public vocational education agency in North Carolina, the community college system, changed very little with the passage of CETA in terms of service delivery. Basically, the same types of training are provided under CETA--both basic education and skill training--as in the pre-CETA period. Skill training serves generally for entry-level, vocational-type skills, with the longest program scheduled for 36 weeks. A mixture of both class-size training and individual referrals (smaller than class size) is being continued. In addition, local vocational education institutions are providing state-funded orientation and motivation training. That program has been expanded during the first year of CETA operations, continuing a trend established prior to the passage of CETA.

However, the vocational education agency is more directly involved in state-level manpower planning activities by virtue of its membership on both the balance-of-state manpower planning council and the State Manpower Services Council. During the first year of CETA operations, there was no replacement of public vocational education institutions in CETA programs by other training agencies in the BOS area.

Although the role of the vocational education agency did not diminish under CETA, little was done to strengthen its role. For example, the distribution of the 5-percent vocational education funds in proportion to estimated CETA prime sponsor training costs does not permit the state to implement a positive policy concerning the preferred types and/or geographic location of training activities with these funds. Consistent with that finding, there is little evidence that Title I training activities were developed in close coordination with the economic development policies and programs. On the latter point, however, the staff of the state's economic development agency, the Department of Natural and Economic Resources, is currently taking the lead in developing a retraining project for unemployed textile workers using the CETA 4-percent manpower services fund.

Community-Based Organizations. The major community-based organizations in the North Carolina balance-of-state prime sponsor area are community-action agencies and the discussion in this section refers primarily to these organizations. CBOs had two representatives on the pre-CETA manpower council, and they have two on both the BOS manpower council and the State Manpower Services Council. Their participation in the activities of ancillary manpower planning boards was approximately the same during the fiscal 1974 and 1975 planning processes. Since the AMPBs performed essentially the same function during the fiscal 1975 planning process as during the fiscal 1974 process, the participation of CBOs in decision making was not changed to any significant extent.

Program activities of community-based organizations throughout the balance of state have been reduced to some extent under CETA. In fiscal 1974, 26 community-action agencies were participating in work-experience programs. In fiscal 1975, only 22 CAAs delivered such services. The types of services provided by CAAs in work-experience programs have not changed with the passage of CETA. However, because of reduced funding levels and program openings, the level of services is smaller for some agencies. In addition to changes in work-experience programs, a Public Service Careers program formerly operated by a CAA in the balance of state was transferred to a lead regional organization during fiscal 1975.

The main change in the relationship between community-based organizations and other agencies involved in the manpower delivery system is that, under the governor's policy on regional human services delivery, the community-action agencies must work more closely with local governments and specifically with lead regional organizations.

There were apparently two basic reasons for changes in the role of the community-action agencies. The first was the belief that, in the long run, skill training programs represented a better use of CETA funds than did work-experience programs. Thus, since the CAAs were more heavily involved in providing work-experience programs, their role under CETA would be reduced.

The second reason for the change in the role of the community-action agencies was the desire of the state administration to move forward with its program on regionalism and integrated regional services delivery. The policy by necessity called for a key role on the part of lead regional organizations; therefore, the CAAs were forced to deal more directly with these organizations. Once the CAAs realized that their fight was with local officials, primarily the lead regional organizations, and not with Raleigh, the actual reduction of their role in manpower services delivery was not as great as had been originally anticipated.

THE MIX OF MANPOWER PROGRAMS

For fiscal 1974, the original manpower revenue-sharing planning grant for the 93-county North Carolina Balance of State was $15,215,000. Of this total, $364,000 was set aside for state and local Cooperative Area Manpower Planning System administration, leaving a total of $14,851,000 in new funds available for manpower programs. An estimated $1,533,000 in new resources for the Job Opportunities in the Business Sector (JOBS) regular program was available in the balance-of-state for fiscal 1974, and during that year the balance-of-state received supplemental appropriations of $8 million for summer youth programs, bringing total new federal resources for CETA Title I-type programs for the fiscal 1974 year to $24,384,000.

The original CETA Title I planning grant for fiscal 1975 was $20,287,000. Adding the governor's 5-percent vocational education grant of $1,069,000 to the Title I allocation, the anticipated total new resources available for Title I type programs in fiscal 1975 was $21,356,000. The planned expenditures of those funds for each of those fiscal years are shown in Table 1.

It was difficult to determine the number of individuals to be served only by those resources in fiscal 1974. Instead, data on the total number of individuals (new enrollees plus carryovers) for whom it was anticipated that services would be provided were obtained from the fiscal 1974 and 1975 planning documents of the prime sponsor. Those figures are shown in Table 2.

During the first year of CETA, there has been a change in the manpower program mix, as reflected in the planned use of funds for fiscal 1975 compared with that of funds for fiscal 1974. In terms of the distribution of funds at the time the CETA Title I plan was prepared, a higher percentage of funds was allocated to classroom training in fiscal 1975 than in the previous year, while a

TABLE 1. North Carolina Balance of State, Planned Expenditures for CETA Title I, Fiscal 1975, and for Comparable pre-CETA Programs, Fiscal 1974 (Amounts in thousands)

Program Activity	Fiscal 1974		Fiscal 1975	
	Amount	Percent	Amount	Percent
Total expenditures	$24,384	100.0	$21,356	100.0
Classroom training	3,638	14.9	7,732	36.2
MDTA institutional	3,536		NA	
Opportunities Industrialization Center (OIC)	102		NA	
On-the-job training	2,974	12.2	2,682	12.5
MDTA JOPS	846		NA	
JOBS regular	1,533		NA	
Public Service Careers	595		NA	
Public service employment[a]	0	0.0	612	2.9
Work experience	16,627	68.2	9,235[b]	43.2
NYC in-school	2,352		NA	
NYC out-of-school	2,297		NA	
Summer youth	10,888		NA	
Adult	1,090		NA	
Other	1,145[c]	4.7	1,095[d]	5.1

Source: North Carolina Manpower Plans, Fiscal 1974 and Fiscal 1975

[a] For purposes of this comparison, Emergency Employment Act (EEA) Section 6 funds are assumed to be comparable to CETA Title II. No new funds for EEA Section 5 were available for Fiscal 1974.

[b] Does not include funds subsequently made available for summer youth programs under Title III of CETA.

[c] Includes $900,000 for a Concentrated Employment Program (CEP) and $245,000 in unallocated reserve funds.

[d] CEP, Special grant to Soul City, OIC.

NA = Not Available. CETA program data are reported only by service activity such as classroom training, work experience, etc.

lower percentage of funds was allocated to work-experience programs. However, the number of clients served in classroom training programs is approximately the same in the two years, and the number of clients who were planned to be served in work-experience programs is significantly smaller in fiscal 1975 than in 1974.

Those comparisons are somewhat distorted by the fact that a supplemental appropriation of $8 million for summer programs serving 15,000 enrollees is included in the fiscal 1974 figures. However, if the effects of the supplemental appropriation are removed, the planned expenditures and number of clients served in work-experience programs in fiscal 1975 are still less than comparable planning figures for fiscal 1974.

Although there has been somewhat of a shift toward skill training programs, the entire movement should not be attributed to CETA. Initial planning recommendations by ancillary manpower planning boards called for an increase in the share of funds going to classroom training programs, reflecting the continuation of a trend developing in the balance-of-state area prior to the passage of CETA. When those recommendations were reviewed by the CETA administrator's staff and the governor, the recommended funds for work-experience programs (primarily summer 1974 youth programs) were reduced, and those for skill training were increased.

However, decisions regarding changes in the program mix do not appear to have been based on any thorough analyses of labor market needs, client characteristics, or program effectiveness. Rather, they seem to reflect a general belief that, in the long run, skill development programs are a more effective use of manpower funds in a relatively low per capita income state such as North Carolina than are work-experience programs.

At the time the CETA Title I planning document was prepared, it was not possible to determine whether the CETA program mix was more responsive to local needs than pre-CETA activities for two basic reasons. First, it is difficult to determine whether sufficient analyses had been undertaken to determine local needs. Second, at the time interviews for this study were conducted, data were not available on manpower program effectiveness in the

TABLE 2. North Carolina Balance of State, Individuals Planned to be Served in Title I, Fiscal 1975, and in Comparable Pre-CETA Programs, Fiscal 1974

	Fiscal 1974		Fiscal 1975	
Program Activity	Number	Percent	Number	Percent
Total Served	36,244	100.0	13,358	100.0
Classroom training	3,359	9.3	3,413	25.6
MDTA institutional	3,155		NA	
Opportunities Industrialization Centers (OIC)	204		NA	
On-the-job training	4,226	11.7	2,754	20.6
MDTA JOPS	1,946		NA	
JOBS regular	1,978		NA	
Public Service Careers	02		NA	
Public service employment[a]	580	1.6	80	0.6
Work experience	27,400	75.6	7,111[b]	53.2
NYC in-school	3,454		NA	
NYC out-of-school	1,492		NA	
Summer youth	21,882		NA	
Adult	572		NA	
Other	679	1.8	0	0.0

Source: North Carolina Manpower Plans, Fiscal 1974 and Fiscal 1975

[a] Emergency Employment Act, Section 5.

[b] Does not include planned enrollment in summer youth programs supported by funds subsequently made available under Title III of CETA.

balance-of-state area in either the pre-CETA or CETA periods.

Changes in the influence of local communities on the CETA program mix have been varied. In some respects, there has been no change, since the participants in the ancillary manpower planning board planning process were essentially the same in the spring of 1974 as in the spring of 1973. In other respects the program mix is less responsive since final CETA Title I plan reflected the governor's priorities that in some respects were different from those developed by the planning boards.

The CETA program mix is more responsive to short-term local needs resulting from the economic downturn than would have been possible prior to CETA. The balance-of-state prime sponsor has attempted to maximize the use of CETA Title VI funds by directing that, wherever possible, public service jobs should last six rather than 12 months in order to increase the number of individuals that can be employed. In addition, the governor has directed that all uncommitted CETA funds be reprogrammed into adult work-experience or public service jobs in order to provide additional resources to meet a most critical need. Thus, the CETA concepts of decentralization and decategorization have definitely provided the North Carolina BOS prime sponsor with a capability to adjust the CETA program mix to meet rapidly changing economic conditions, an opportunity that would not have been available under pre-CETA categorical programs.

IMPACT OF CETA ON CLIENTS SERVED

Changes in Client Population. The CETA Title I planning document indicated that a significant reduction was planned in the number of clients to be served in fiscal 1975 as compared with fiscal 1974, with the major source of the reduction coming in work-experience programs. However, these comparisons are somewhat distorted by the fact that approximately 15,000 individuals are included in the fiscal 1974 total who were served by a supplemental appropriation for summer 1974 youth programs. When the effects of the supplemental appropriation are removed, the planned reduction in clients served in fiscal 1975 is not so significant.

According to the CETA Title I plan, it was anticipated that less emphasis would be placed on youth in fiscal 1975, primarily because of the planned reduction of funds for summer youth programs. However, program experience to date indicates that a significantly higher proportion of 14-21-year-old economically disadvantaged youths are being served than was anticipated in the plan. Therefore, the shift in emphasis among the various categories of client groups may not be as significant as originally anticipated. Table 3 provides a summary of the planned and actual number of clients served in various program activities for the first three quarters of fiscal 1975 for various CETA titles.[4]

Significant population segments served under the CETA Title I program through March 31, 1975 are presented in Table 4. The major point to be noted in that table is that the estimated number of older workers to be served was revised sharply downward during the third quarter of fiscal 1975 and the estimated number of 14-21-year-old economically disadvantaged clients was increased by one-third. Even with the increase, at the end of the third quarter of the fiscal year the number of economically disadvantaged youth served exceeded the planned goal by 12 percent.

Of the total of 7,380 clients served under the CETA Title I program during the first half of fiscal 1975, 6,601 (89.4 percent) were classified as economically disadvantaged. Furthermore, 4,435 (60.1 percent) were black and 3,782 (37.6 percent) white.

Changes in Client Flow. In general, there has been little change in client flow in substate areas under CETA. Basically, the employment service recruits and refers individuals for training services that are provided by the community college system (classroom training) or employers (on-the-job training). Work-experience

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[4] The total number of individuals served as of June 1975 under Title I was reported as 15,692.

TABLE 3. North Carolina Balance of State, Planned and Actual Number of Participants Served by Program Activity, July 1974-March 1975

Program Activity	Participants: Planned	Participants: Actual	Participants: Actual as Percent of Planned
Title I, total	12,071	11,533	96
Classroom training	3,391	3,417	101
On-the-job training	500	556	111
Public service employment	180	152	84
Work experience	8,000	7,408	93
Title II			
Public service employment	28	45	161
Title VI			
Work experience	3,249	6,087	187
Summer 1974 program			
Youth employment	12,119	13,230	109

Source: U.S. Department of Labor, Manpower Administration

program operators (community-action agencies and lead regional organizations) provide a range of services for programs that they operate. No centralized service delivery organization has been established to provide the complete range of manpower services throughout any of the substate areas.

There is apparently no clear organizational responsibility for the follow-up and placement of CETA clients in classroom training programs, and this shortcoming was cited by some respondents as one area for needed improvement in CETA program operation and coordination. In addition, respondents from community-based organizations indicated a concern that the employment service

TABLE 4. North Carolina Balance of State, Planned and Actual Number of Significant Population Segments Served, CETA Title I, July 1974-March 1975

	Numbers Served				
	Planned			Actual as Percent of Planned	
Significant Segment	Original Title I Plan	As Revised Mar. 1975	Actual	Original	As Revised Mar. 1975
Total	11,487	11,891	11,533	100	97
Underemployed adult	2,872	3,024	298	10	10
Unemployed adult	2,297	2,876	3,976	173	138
Veterans	574	416	833	145	200
14-21 year old disadvantaged	4,020	5,375	6,005	149	112
Older workers	1,724	200	421	24	211

Source: North Carolina Manpower Plan, Fiscal 1975; CETA Quarterly Progress Report, March 1975

would not actively recruit the type of economically disadvantaged individuals normally served by their agencies for skill training programs. The prime sponsor's contract with ES states that the agency will "access the target population," but CBO representatives feel that the employment service will not vigorously pursue that activity. However, the current state of the economy is such that the ES has not had to recruit individuals actively for skill training activities because a sufficient number of potential CETA enrollees are registering at ES offices.

Appendix A

Manpower Acronyms

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Manpower Legislation

CETA	Comprehensive Employment and Training Act of 1973
EOA	Economic Opportunity Act of 1964
EEA	Emergency Employment Act of 1971
MDTA	Manpower Development and Training Act of 1962
EJUAA	Emergency Jobs and Unemployment Assistance Act of 1974

Planning Systems

AMPB	Ancillary Manpower Planning Board
BOS/MPC	Balance of State Manpower Planning Council (CETA)
CAMPS	Cooperative Area Manpower Planning System
MPC	Local Manpower Planning Council (CETA)
MAPC	Manpower Area Planning Council (pre-CETA)
SMPC	State Manpower Planning Council (pre-CETA)
SMSC	State Manpower Services Council (CETA)

Manpower Programs

CEP	Concentrated Employment Program
JOP	Jobs Optional Program (MDTA-OJT)
NYC	Neighborhood Youth Corps
JOBS	Job Opportunities in the Business Sector - National Alliance of Businessmen
OJT	On-the-Job Training
OIC	Opportunities Industrialization Center
PEP	Public Employment Program (under EEA)
PSC	Public Service Careers Program (includes New Careers)
PSE	Public Service Employment
SER	Services, Employment, Redevelopment (Spanish-speaking, self-help organization)

UL	Urban League
WIN	Work Incentive Program (training for welfare recipients)

Governmental Units

BOS	Balance of State
CAA	Community-Action Agency
CBO	Community-Based Organization
COG	Council of Governments
MA	Manpower Administration (DOL)
OEO	Office of Economic Opportunity (now Community Services Administration)
RO	Regional Office, U. S. Department of Labor
ES	State Employment Security Agency (also local employment service office)
DHEW	U. S. Department of Health, Education and Welfare
DOL	U. S. Department of Labor
VOED	Vocational Education Agency

Appendix B

Summary of the Comprehensive Employment and Training Act

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SUMMARY OF THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

The Comprehensive Employment and Training Act of 1973 (PL 93-203, as amended) has seven titles:

Title I establishes a program of financial assistance to state and local governments (prime sponsors) for comprehensive manpower services. Prime sponsors are cities and counties of 100,000 or more, and consortia, defined as any combination of government units in which one member has a population of 100,000 or more. A state may be a prime sponsor for areas not covered by local governments.

The prime sponsor must submit a comprehensive plan acceptable to the Secretary of Labor. The plan must set forth the kinds of programs and services to be offered and give assurances that manpower services will be provided to unemployed, underemployed, and disadvantaged persons most in need of help.

The sponsor must also set up a planning council representing local interests to serve in an advisory capacity.

The mix and design of services is to be determined by the sponsor, who may continue to fund programs of demonstrated effectiveness or set up new ones.

Eighty percent of the funds authorized under this Title are apportioned in accordance with a formula based on previous levels of funding, unemployment, and low income. The 20 percent not under the formula are to be distributed as follows: 5 percent for special grants for vocational education, 4 percent for state manpower services, and 5 percent to encourage consortia. The remaining amount is available at the Secretary's discretion.

State governments must establish a state manpower services council to review the plans of prime sponsors and make recommendations for coordination and for the cooperation of state agencies.

Title II provides funds to hire unemployed and underemployed persons in public service jobs in areas of substantial unemployment. Title III provides for direct federal supervision of manpower programs for Indians, migrant and seasonal farm workers, and special groups, such as youth, offenders, older workers, persons of limited English-speaking ability, and other disadvantaged. This title also gives the Secretary the responsibility for research, evaluation, experimental and demonstration projects, labor market information, and job-bank programs. Title IV continues the Job Corps. Title V establishes a National Manpower Commission. Title VI, added in December 1974 under the Emergency Jobs and Unemployment Assistance Act, authorizes a one-year appropriation of $2.5 billion for a public service employment program for all areas, not just for areas of substantial unemployment. Title VII contains provisions applicable to all programs, such as prohibitions against discrimination and political activity.